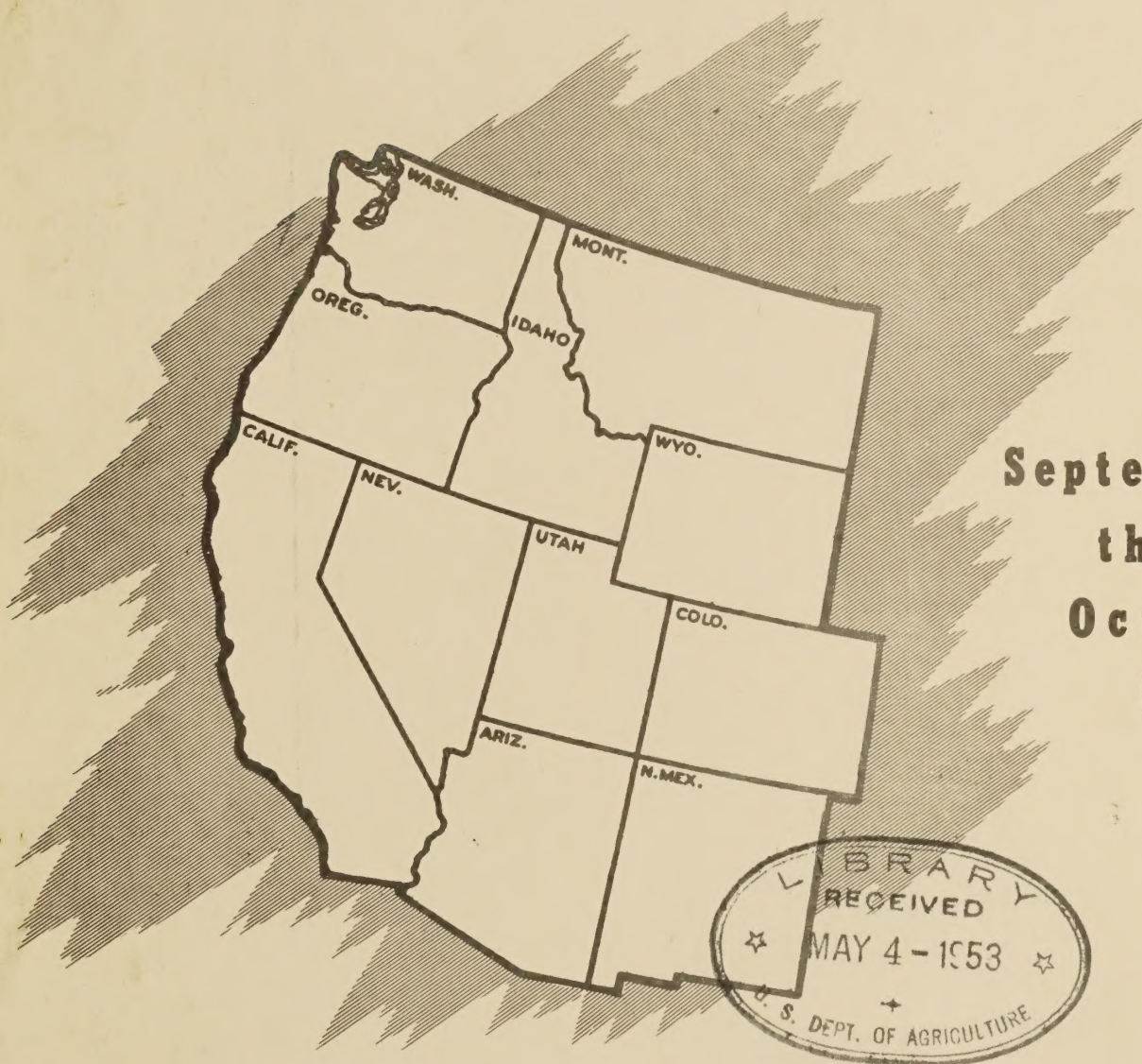


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Report of the

# Western Extension Marketing Conference



September 29  
through  
October 3  
1952

Utah State Agricultural College  
Logan, Utah

United States Department of Agriculture      Extension Service  
Division of Agricultural Economics  
Washington, D. C.

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FOREWORD

The Western Extension Marketing Conference was recommended by the Extension Marketing Committee and approved by the Extension Committee on Organization and Policy. The Western Directors, in cooperation with the Federal Extension office, authorized the conference at their meeting in the spring of 1951 and appointed R. E. Tootell, Director, Montana State Extension Service to serve as director-advisor. Because of existing conflicts, the conference was postponed until September 29 to October 3, 1952, and the place of conference set at Logan, Utah.

The program was prepared cooperatively by the Division of Agricultural Economics of the Federal Extension Service and the participating states. In planning the program, major emphasis was placed upon evaluation of all types of Extension activity in marketing in this and other regions. This plan was designed to provide a basis for considering the problems and needs for further developing Extension marketing programs in the Western States.

OBJECTIVES OF THE CONFERENCE

An Extension Marketing Conference on Ways to Improve and Expand our work.

1. To consider the potentials of Extension's marketing job with producers, handlers, and consumers.
2. To exchange ideas and experiences on what we are doing and how.
3. To consider methods and techniques of planning, conducting, and evaluating our work.
4. To consider educational materials and teaching aids.

Directors' Committee on Marketing

C. O. Youngstrom

G. A. Carpenter

R. E. Tootell, Chairman

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Participants in the Conference

Arizona

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Extension Economist

California

George Alcorn,  
Extension Economist  
R. C. Rock,  
Extension Economist in Marketing  
Claribel Nye,  
Assistant to Director

Colorado

H. H. Smith,  
Livestock Marketing Specialist

Idaho

R. W. Wilcox,  
Extension Economist in Marketing

Montana

B. L. Brooks,  
Extension Economist in Marketing  
H. R. Stucky,  
Extension Economist  
R. B. Tootell,  
Extension Director

Nevada

Eldon Wittwer,  
Chairman, Department of  
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Doris Urquhart,  
Consumer Education Specialist

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Edward F. Coles,  
Livestock Marketing Specialist

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Vegetable Crops Specialist  
D. A. Broadbent,  
Experiment Station Director  
Anson F. Call, Jr.,  
County Agent  
Carl Frischknecht,  
Extension Director  
Russell Keetch,  
Sheep and Wool Specialist  
M. H. Taylor,  
Livestock Marketing Specialist  
Leon Michaelsen,  
Livestock Marketing Specialist,  
Regional and State  
Ruth Tippetts,  
Consumer Education Specialist  
Beatrice Tanielian,  
Consumer Education Specialist  
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Ramon Wilson,  
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Thelma Huber,  
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Mgr. Z. C. M. I. Wholesale Department  
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Poultry Department, B. Y. U.  
David Jones,  
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H. R. Varney,  
Dean and Exp. Station Director, College  
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Washington, D. C., Extension Service

H. M. Dixon, Chief, Division of Agricultural Economics, Ext. Service, U.S.D.A.  
L. R. Paramore, In Charge, Field Crops Marketing  
Luke M. Schruben, In Charge, Livestock, Poultry and Egg Marketing  
R. C. Scott, In Charge, Fruit and Vegetable Marketing.  
Gale A. Ueland, Ext. Economist in Consumer Marketing Education.  
H. C. Trelogan, Asst. Administrator, Agricultural Research Administration



OPPORTUNITIES AND RESPONSIBILITIES  
OF EXTENSION FOR MARKETING EDUCATION

H. R. Varney

Dean and Director of Experiment Station, College of Agriculture,  
University of West Virginia, and Member of Extension RMA Advisory  
Committee.

"The future of America is in the hands of two men -- the investigator and the interpreter." That statement was made by Dr. Glen Frank when he was president of the University of Wisconsin a number of years ago. I believe it was true then and that it is true today. The Extension Service was set up to be the interpreter for agriculture. I think it would help us in solving many of our problems if we would keep that in the back of our minds as we go about this job of developing a better marketing system. I would like to make one additional quotation from Dr. Frank, that elaborates a bit on the previous statement.

"Science owes its effective ministry as much to the interpretive as to the creative mind; rarely do the genius for exploration and the genius for exposition meet in the same mind. The investigator advances knowledge; the interpreter advances progress." That is why, if we are to make progress in the field of marketing, we must look carefully to our own techniques as interpreters as well as to the research men as investigators that can give us the necessary knowledge.

My topic is divided into two main parts, as you can see from the title, and I would like to approach it from that standpoint. First, as to whether there is an opportunity and a need for a real job in marketing education; and secondly, what our responsibilities may be as an Extension Service and as individuals if this job is to be carried out adequately.

Suppose we consider first some of the factors that may help indicate the scope of the job to be done; the need for such a job; and the rapidly changing nature of it. In the early days of this country, the production of agricultural products was the principal industry. Four out of every five people were engaged in farming. Most production took place either on the farm where it was consumed or relatively close to the consumer. There were, in a very real sense, few problems that could be classed as marketing. As time passed and we began to improve our techniques and expand our knowledge of production, the average worker was able to produce more per hour and per acre until, today, there is less than one person out of every five engaged in farming. The others have been released to do other things. Most of them are engaged in industrial or service occupations, and all of them are customers for agricultural products. Agriculture has changed from pretty largely a self-sufficient business to a rather highly commercial enterprise, with most of the things produced for sale in the market and most of the goods and services that are used on the farm purchased in the market. This has multiplied the number of handlers, processors, and retailers that are required in our



economic life even with the same total population. But our total population has not remained constant. It has increased steadily and rapidly, thus multiplying further the number of consumers.

Due to the work of many investigators over the years, we have revolutionized our transportation industry, enabling us to transport perishable foods over comparatively long distances. This has, on the average, increased considerably the time that elapses between when the product is ready on the farm and when it is finally consumed. We have revolutionized our methods of storage, packaging and handling. For instance, the development of the quick-freezing process resulted in a whole new list of problems ranging all the way from developing harvesting and handling methods that are better adapted to freezing to a new group of problems for the retailer in marketing frozen foods; and some problems for the housewife in purchasing and handling this new type of product. The demand of the average consumer for packaged goods in relatively small quantities, as contrasted to the earlier days when many were sold in bulk in large quantities, has created additional marketing problems all down the line.

As new processes are developed and new developments occur in transportation and handling, we very often find that certain parts of the marketing machinery develop faster than others, and you have bottlenecks created. Possibly a good example of this is the terminal market situation in many of our larger cities today. I venture to say there would be little disagreement with the statement that our terminal markets, for the most part, have by no means kept pace with other developments in marketing, and are obsolete.

Another factor that has multiplied our problems is the tremendous increase in the number of people that live in cities and towns; have no production of their own; and little understanding of the problems that are involved, both in production and in getting the product to them in the form that they would like to have it. Particularly is there a lack of understanding on the part of many consumers of the costs that are required if certain services they want and, in many cases, seem to take for granted, are to be performed. Along with this increase in urban population has gone, I believe, an increasing lack of understanding or lack of knowledge of the problems facing producers and handlers of agricultural products, because more and more people have no farm background and little or no understanding of the processes through which the product must go before reaching their table. This was not so true in the early days when most people either still lived on farms or were born and raised on farms. Further than that, technological improvements have been taking place so rapidly in recent years that a person of middle age or older, even if he was raised on a farm, will have very little understanding of the problems facing the farmer and the handler today, because they are entirely different than those that faced the farmer and the handler when this person was a youngster.

For the reasons that I mentioned previously and others which I will not take time to go into, our marketing problems have multiplied and, in the case of



individual commodities, they have increased in physical or geographic scope as well. For example, in most cases today, it is not possible, as it was in many instances in the earlier days, to study the marketing of a given product from the farm to the market within the confines of a single state. A much larger percentage of our products move in interstate commerce. This complicates not only the problem of the investigator but the problem of the interpreter as well, and requires much closer cooperation between workers of various states and between state workers and regional or Federal people.

I could give a few examples of some of the things that have happened recently; for instance, in the Cumberland-Shenandoah fruit area of which West Virginia is a part, the marketing of the fruit there, particularly apples, has been changing quite rapidly in recent years; whereas most of the fruit used to go as fresh fruit to markets not too far away, (such as Washington, Baltimore, Philadelphia, etc.), there seems to be an increasing tendency in the last few years for early apples like Yellow Transparent to go to Canada; for certain growers in the area to produce early McIntosh at high altitudes and get them into Philadelphia, and even more northerly markets ahead of the McIntosh from the New York-New England area; for more and more of our fruit to go south; and for a considerable portion to move directly to the canners. We know relatively little of the problems involved in these recent shifts, and, if Extension is to do a job of interpreting to the trade and to the consumer in these markets, it is going to have to cross state lines or cooperate very closely with workers in other states.

Another example might be dairy, where changing consumer habits are changing marketing problems and patterns. Formerly, milk for manufacture into butter was the backbone of the dairy industry. That picture is changing very rapidly, and I venture to say that before long, milk for manufacture into butter will be relatively a minor factor in the situation. More and more is oleomargarine entering into the picture and changing not only our outlets but our marketing problems. I will not be surprised if something similar does not happen in the case of milk for icecream, with an increasing proportion of the market being taken by products made partly or wholly from vegetable fats.

Still another problem in the milk marketing picture is the constantly changing population distribution in this country as new centers of industry develop. In the last ten years, there has been an increasing tendency to industrialize certain parts of the south and for the population to increase very rapidly in the southwest and the Pacific Coast area. This results in increased demand for fluid milk and milk products and a change in the marketing picture that must be followed closely by Extension workers if they are to really do the job they are set up to do.

A third example I might mention is the situation with respect to poultry and eggs. Here in the West, and particularly in the Northwest, you have had almost a complete change in the picture since I first started in marketing work. At that time, local markets for eggs in the Western states, particularly on the Pacific Coast, were relatively small in relation to



production, and many Western eggs came to the Eastern markets. With the rapid increase in population, this situation has been reversed until now I do not know whether you produce enough eggs in this area to supply your local markets, and would not be surprised if you are importing some from the middle west.

It is true that we always have production problems, but I think, in the last thirty years, problems of marketing have increased much more rapidly, both in number and scope, than have the problems of production. Furthermore, during this period of time, we have had much less financial support and fewer trained personnel working in this field than we have in the production field. I think it is undoubtedly true that marketing has not made the progress that production has, either as far as the investigator or the interpreter is concerned. It seems to me that Extension has a great opportunity -- in fact, a flock of opportunities; but that does not mean that they have a vested interest in this job or marketing education, because if Extension does not do the job, someone else undoubtedly will.

That brings us to the second point; namely, "Responsibilities." It seems to me that first our administrators in the Extension Service (both state and national); in the Land-Grant Colleges; and in the Department of Agriculture have the responsibility of setting up programs and obtaining financial support that will make it possible to get a more adequate supply of well-trained interpreters--young men and women who have a natural aptitude for this type of work; who have the basic training that is required; and who have an understanding of the trade and the particular group of people with whom they will work in this profession. While it is necessary to have technical knowledge, that by itself is not enough. The individual must be well acquainted with the people with whom he works, whether they be producers, handlers, processors, wholesale market men, retailers, consumers, or what have you; He must be able to speak their language, and must be accepted by them as one of them. This means that the same person can very rarely be qualified to work with all groups in the marketing process. I think we will have to have, as we had to have in the early days of Extension work, people who are trained to work with particular segments of our population. We found that it was necessary for us to have county agricultural agents who knew farm problems; who could talk the farmers' language. By the same token, we are going to have to have people who, for example, know the milk business; know the milk handling and processing business; are acquainted with the people in the industry, can talk their language and understand their problems. The same thing was true with home demonstration agents, as far as farm women were concerned, and will be true, I think, with our workers in the cities, who work with the consumers and with the urban women. It may well be true for those who would work with groups such as millers or terminal market men or transportation people.

At this point, we may get into the old argument as to whether we should do marketing work on a commodity basis following a given commodity from farm to consumer or on a functional basis dealing with problems of certain segments of the marketing process such as processors or retailers. Personally, I think both approaches will be needed. Some problems will lend themselves better to one and some to the other.



It is the responsibility of Extension, I believe, to work not only with producers, but with handlers of all kinds (including retailers) and with consumers. As indicated in the original Smith-Lever Act, the Extension Service was set up for the purpose of "diffusing among the people of the United States useful and practical information on subjects relating to agriculture and home economics and to encourage the application of the same." It did not limit our responsibility to producers or farmers or any particular group of the population.

It is the responsibility of the Extension Service, and us as individual Extension workers, to be more willing to cooperate with workers in other states and other areas; if the job is to be done on a coordinated basis. It is the responsibility of the Extension Service and Extension workers to get better acquainted with our research people; to work more closely with them; particularly in determining what problems are most urgent at the moment; in helping them to break down these problems into workable segments; and, in some cases, helping with field work or, at least helping with making the contacts with the trade that are necessary if the research worker is to get the information he must have for valid results. Above all, it is our responsibility as Extension workers to interpret the results of these investigators in language that is easily understood by the people who are going to have to put them into effect. To do this, we need to understand, adapt, and use all of the most recent methods of communication, including television, movies, and radio.

Director Bevan sent a letter to each of the Experiment Station directors earlier this summer, asking them what, in their opinion, some of the principal problems were at the present time with respect to marketing, and how they felt the work could best be moved along. I have not seen all of the replies nor have I seen a summary of them; but I have read several, and was interested to see that they almost unanimously agreed that the great need was for more and better trained personnel. By "better trained" they meant not only technical training, but people with adequate background and adequate knowledge of the segments of the industry with which they were to work. They felt that while progress in this field had possibly not been as rapid as we would like, it had been considerable, particularly in view of the relative newness of the field in general and some segments of it in particular; in view of our rapidly changing marketing methods and demands for agricultural products; and in view of the fact that in marketing it is not possible to get the various factors in a test tube and under controlled conditions so that your reactions will be the same each time. Those factors complicate the problem not only for the investigator but for the interpreter as well. They were, however, almost unanimous in stating that they believed if we would compare the situation today with ten or twenty years ago, we would be surprised at the progress that has been made; and that if we continued to work even harder and cooperate with each other, the investigators and interpreters could bring about still greater progress in the years to come. We will never have all of the problems of marketing solved any more than we will have all of the problems of production solved; but we certainly have a great opportunity, and we also have great responsibilities.



To paraphrase Dr. Frank's statement -- The future of marketing and of all agriculture is in the hands of two men -- the investigator and the interpreter. We in Extension are the interpreter. That, it seems to me, indicates the scope of our opportunity and the weight of our responsibility.

## NEW DEVELOPMENTS IN MARKETING PROGRAMS

H. M. Dixon

Chief, Division of Agricultural Economics

It is good to be back in the West with you and I am sure we are all going to profit by this week's analysis of our programs and in the exchange of ideas and information.

We especially are glad of this opportunity to work together and realize its value and benefits to us. During the week we also want your full and frank suggestions as to how we can adjust and improve our program to be of greatest help to you.

This morning I would like to discuss two things: (1) The progress we are making in our extension marketing work; and (2) some needs in developing our extension marketing programs in the future. I shall attempt to cover only a few of the high points as I see them. During the week we shall have an opportunity to discuss more in detail the problems and needs and methods dealing more specifically with your State programs and your individual lines of work.

First, I would like to say you in the West have some of the hardest types of economic problems with which to deal. You have many commodities being produced under varied conditions. You have dry land and irrigation farming. You have new areas being brought into farming. Many of your consuming markets for many of your products are far away. In farm management, for example, your farmers have many factors to take into account that are outside the farm that may as vitally affect the farm business as do the internal operating factors. In marketing, many of your commodity marketing problems are far removed from individual farms and many require attention outside the region. Nevertheless, you are doing a good job of extension work considering your limited resources for meeting your many problems. Likewise, you have somewhere within the region successful examples of work in most activities.

Speaking of our extension marketing program as a whole, I feel we have made excellent progress, even though we have much ahead of us in order to meet the needs as set forth in the report "Marketing Challenges the Extension Service."

One important development which made possible considerable progress in extension marketing work in recent years was the enactment of the Research and Marketing Act of 1946. Although all of the States were doing some marketing work before the enactment of this legislation, this Act really



provided us with earmarked marketing funds which have given impetus to both the research and extension phases of marketing. As you know, this Act has as one of its primary objectives that of enabling us to put marketing extension work on a par with our extension efforts on production.

The following are a few of the more important developments during recent years made possible largely by Title II funds under this Agricultural Marketing Act:

In analyzing the change in numbers of agricultural economics extension workers in the country, we find there were 409 in 1952 as compared with 283 in 1940. Four-fifths of the workers in 1952 were full time extension workers. About 60 percent of the workers in 1952 were engaged in marketing extension work. The increase in the number of extension marketing workers in recent years has resulted in a considerable expansion in specific lines of marketing work under way. In 1952, 43 States and 3 Territories were conducting work on 136 projects. Of these projects, 19 were on fruits and vegetables; 20 on livestock; 26 on poultry and eggs; 11 on grain; 11 on dairy; 3 on seeds; 4 on cotton and cottonseed; 4 on forest products; 4 on market facilities and organizations; 9 on marketing information; 9 on retailer education; and 16 on consumer marketing education. During the current fiscal year, 602,200 of Federal RMA funds are going to finance this extension marketing work which is new and additional to that being carried on before the Act was passed.

Another progressive step in extension marketing I believe is the regional approach that has been developed and put into operation to deal with a number of marketing problems regional in nature. In addition to the live-stock and wool marketing project on which Mr. Michaelsen is working half time on a regional basis, there are similar regional projects in operation on wheat in the hard red winter wheat area and on poultry and eggs in the North Central States.

Marketing work with handlers beyond the farm has more than doubled during the last five years. This is another mark of progress in extension marketing. We now have 12 States conducting active marketing programs with retailers. In addition, a regional retailer education project is in operation in New England and a contract is in operation with Michigan to develop teaching materials and demonstrations to further extension work on meats with food handlers.

Our extension marketing work has also been extended to include the consumer; the last link in the marketing chain. Consumer marketing educational programs have not only developed to become a more important part of our regular extension programs with rural people, but urban extension programs have expanded to many large cities. Also, regional programs have been developed and are in operation in New York City, Boston, Mass., Wheeling, W. Va., and Kansas City, Mo. You will be hearing more about these programs later in the week. I do want to bring out though the fine cooperation that nutritionists and home demonstration agents have given to the consumer marketing education work. This fine cooperation has increased the coverage and effectiveness of this work. They are, likewise, more and more giving attention to many of the other



phases of our extension marketing program. I wish to commend you folks here in the West for the fine start you have made in consumer marketing education. I believe, as I am sure you do, that this field of work offers excellent opportunities for further expansion in this region as well as throughout the country.

Several other important program developments have been occurring during recent years. There is a continually increasing interest on the part of administrators and supervisors in the developing of marketing programs, due to the good work of marketing economists throughout the United States and the growing importance of marketing problems.

Extension directors are recognizing marketing as a growing field of work. They are doing a good job in looking for and paying particular attention to selecting well-trained personnel to fill extension marketing jobs. They are encouraging their present personnel to participate in in-service training for themselves, including out-of-State conferences such as this. They also are providing many opportunities for their marketing specialists to conduct training schools for county agents and commodity production specialists to encourage greater marketing effort on the part of all extension workers.

Another relatively recent development is the increased interest and growth of marketing work with 4-H club people. This work is progressing through the 4-H commodity projects and through programs with cooperatives and other handlers. Also, some work is underway on consumer marketing with 4-H club people. For example, we are interested in the report of the home demonstration agent in Seattle, Washington, who has for a number of years conducted tours for 4-H club members through stores in that city to teach better buy-manship. This has good prospects for inclusion in 4-H programs in many areas. I also can see how method demonstrations could well fit into the 4-H programs in specific phases of both the retailer and consumer marketing extension programs. For example, could not good 4-H demonstrations be worked up on how to display and care for fresh fruits and vegetables in a retail store, or on better buying practices for consumers? Such projects will also represent an excellent means of public relations between producers, handlers, and city consumers.

I have just mentioned a few of the developments in marketing education. I have spoken of the growth in educational assistance, especially beyond the farm. But farmers and their respective organizations, retailers and other handlers and urban consumers all desire more educational assistance. These increased needs are being met in part by adding personnel, by better integration of marketing with other extension activities, and by more emphasis by marketing economists on local leader assistance. Better considered and prepared programs, with the full support of administrators, specialists, county staffs, and the support of many agencies and groups are also important means in use in meeting the demands. These all are healthy developments.

While an increasing number of people are being served through agricultural economics and marketing programs each year, the demands far exceed available assistance. The continuing trend toward greater specialization in the



production and marketing of agricultural products; the many governmental programs dealing with price supports, price controls, foreign trade programs, and marketing agreements; and the increased amount of research results available all have increased the needs for marketing educational efforts. Thus, we have yet a long way to go to deal adequately with the educational marketing job ahead.

Now, I want to discuss briefly some of the future needs, as I see them, in further developing our marketing extension program.

To meet the extension marketing needs of the future, we need more marketing funds and extension marketing personnel. This is well brought out in the report "Marketing Challenges the Extension Service," prepared by a committee of State directors of extension and deans of agriculture in October, 1950.

This western region is especially short of extension marketing workers to deal adequately with the marketing problems you have in connection with the many commodities you produce, and your being far from many of your consuming markets.

More attention needs to be given to developing long-time program plans with budgets; looking ahead 5 to 10 years or more. Our directors look to us not only for subject matter and methods, but also to show the possibilities and needs for worthwhile extension marketing projects.

In determining and carrying out our current program plans we need to be sure to provide for concentrating at least a part of our efforts on some specific problems on which some measure of progress may be shown. This does not mean we should not tackle large problems which require a long time to solve or to show accomplishment. It does mean we need to give attention to breaking down some of these larger problems into their component parts and spending enough effort on some of these parts to show accomplishment. This is desirable to provide a basis for continually showing some measure of progress as a source of satisfaction to ourselves as well as to our directors.

In order to give you access to an over-all marketing plan of work from a State outside of this region, I have duplicated the Pennsylvania State plan of work for 1952. I realize that you have many plans of work within this region as good as this one, but since it is from an area with somewhat different conditions and problems than yours, it may be of interest to you and you may wish to file it for future reference. It seems to us to embody many good features. You will note it includes a rather comprehensive analysis of the project situation. The major problems are well stated. The numerical and activity goals are detailed and specific. Good statements are also included on methods of procedure, cooperation, teaching aids, and calendars of work for each specialist. I believe, as I am sure you do, that good plans of work and reports are essential to progress in our work.

In the future we will need to place greater emphasis on evaluating our work, measuring progress, and reporting accomplishments. This also was stressed by our Extension Marketing Advisory Committee at its meeting in June of this



year. I am certain that the Extension Service, as well as other agencies using public funds, will be called upon more and more to justify the use of those funds in the future; more so than has been true in the past.

In starting this week's work I hope you are as optimistic regarding our future opportunities as I am. There never was a time in which we could and should view our field of economics work with as much potential possibilities for the future as now.

Likewise, never before do I feel our administrators have viewed our work with as much thorough understanding of its need and importance to the people and to the extension program as a whole as now. While this is gratifying and important, it again places greater responsibilities on us. It means carrying forward projects with even greater effectiveness; and giving more attention to reporting our activities and accomplishments in effective form for use with legislative and other groups in obtaining more assistance and expanding our program to more problems and more people.

#### Marketing Work In Arizona

T. M. Stubblefield

The Arizona Extension Service has no marketing projects. The state has several problems. We could probably do a lot in the field of consumer education. Arizona's population is increasing quite rapidly. We are limited in personnel. For this reason we are limited in the amount of marketing work we can do.

#### Extension Marketing Program in California

George B. Alcorn

##### I. The Problem

The current high level of economic prosperity is not reflected evenly on the whole of California agriculture. Dependence of some agricultural industries upon government aid or industry controls contrasts with price ceilings in other branches of agriculture. All branches of agriculture, however, recognize the present importance of public policies on their current situation and outlook. Public policies and outlook, therefore, are of major concern to every agricultural industry and likewise become the major phase of our Extension Marketing Program.

A snapshot picture of California agriculture is of little value. A moving picture is needed because agricultural industries in California are constantly changing and adjusting to new situations. It is our job to assist in appraising these situations and assist agriculture in making adjustments to them. Dried fruit industries



find normal export markets closed and dependence upon government programs necessary. Fresh fruit industries find increasing competition from other areas. Processed (canned) fruit and vegetable industries face problems of government controls. The dairy industry faces adjustment to a rapidly growing population in the state with consequent shifts in milk utilization and state pricing of milk. The poultry industry in California continues to face an almost constantly changing market structure. Adjustments must be made frequently. The meat and livestock industry in California is also going through a considerable change in market structure and adjustment. The Pacific States must bring in millions of head of livestock to feed an increasing population. Marketing problems and adjustments also face some of the field crop industries; namely, seeds, alfalfa, cotton, beans, tomatoes, etc.

Problems of yesteryear--inadequate purchasing power of the 1930's and the shortage of physical facilities of the war period--have given way to adjustments to a rapidly changing world. Not the least important has been the great increase in our own population with its changed composition, changed eating habits, and increased purchasing power.

California agriculture has been and is an example of ingenuity in the meeting of marketing problems. The movement of several hundred thousand cars of fruits and vegetables east is a model of organization and achievement. The ability of farmers to adjust to new problems and to help themselves is evidenced by the scope of cooperative marketing and industry marketing control programs.

The magnitude of California agriculture and the size of its marketing organization may be obtained from a few statistics. California frequently is the number one state in point of cash receipts from marketings, accounting for as much as 10 per cent of the nation's cash receipts from farm marketings of crops and  $7\frac{1}{2}$  per cent from livestock. California with 6 million irrigated acres has about one-third of the irrigated acreage of the United States. California produces (in terms of value) more than one-third of the nation's commercial fruits (fresh and processed), nearly a fourth of the commercial vegetables (fresh and processed), and about two-thirds of the commercial tree nuts. California alone accounts for most of the nation's production of lemons, almonds, avocados, walnuts, olives, dates, figs, apricots, grapes, plums, and prunes. California is also one of the leading producers of crops, such as oranges, hops, barley, alfalfa, sugar beets, lettuce, asparagus, tomatoes, beans, carrots, spinach, melons, potatoes, cotton, and rice. Approximately 2,000 fresh fruit and vegetable packers and shippers operate in California. Also, there are about 200 separate plants involved in processing California vegetables and deciduous fruits.

## II. What Extension Specialists in Marketing Are Doing

The first obvious Extension problem in this field in view of the magnitude of the problem as set forth above is lack of sufficient



personnel. For greater spread of influence the two specialists must of necessity concentrate their efforts with the farm advisors. In some activities this is not feasible nor economical of the county agents' time. Knowledge of cooperative organization may not be worthwhile to the county agent who may only assist in such organization once in ten years. Another activity involving the detailed attention of the specialist is the analyses of marketing problems. Frequently, each problem is unique and the attention and consideration of specialist, county agent, and every other informed source are necessary in order to arrive at decisions.

Another Extension problem in marketing is the impossibility of programming a great part of the work which is related to the solution of current marketing problems. For example, we cannot program assistance in the organization of "blank" number of cooperatives, nor program participation in the discussions leading to a market control program, nor attract too much attention to local marketing questions unless the problem is apparent. To program a large part of our anticipated work would bear too much semblance of a promotional program. In Extension of economics great care must be exercised to be sure that the farmers and not Extension personnel are making the decisions.

A listing of approaches is here given which, for the sake of brevity, is with little or no comment:

- Cooperative marketing
  - a. Organization
  - b. Existing cooperatives
  - c. Cooperative Education
- Market surveys
- Public policy
- Outlook
- 4-H club marketing program
- Extension schools
- Market information and interpretation
- Market control programs
- Industry problems
- Market cost survey

### Marketing Work in Colorado

Harry H. Smith

With the good prices which we have had for livestock for the past several years, it has been rather hard to convince producers that we have any marketing problems. Recently, the picture has changed, as we all knew it would, and I think with it is coming a change in attitude. Our whole problem is aimed at waking up producers to the fact that it is to their advantage to give some thought and study to livestock marketing.



I am sure we have as many problems in marketing in Colorado as there are anywhere else. I know we are doing a lot of poor marketing over there. When I see one man sell his calves at the ranch for 38¢ and his neighbor who doesn't have as good calves sells his at the local sale yard for 43¢, I know there is something wrong. Yet I can't go to that first man and tell him he is crazy for selling his calves at that price. I think my only hope is to give him information through marketing schools, market tours, grading demonstrations, meetings, news articles, radio programs, etc., which will make him want to try and find some more efficient way of selling.

I think our biggest problem in marketing is not included in the list of problems which we usually find but rather the lethargy of the people. Possibly they feel that we do not have anything very definite to offer them. For the present we are not asking them to make any radical change in marketing. We are asking them to give some thought and study to the whole setup to see if they cannot find a more efficient way of selling. It is believed that if people begin to study a condition which exists and comes to see that changes can be made which will be beneficial to them, that they will soon set machinery in motion which will bring about those changes.

Problems which I have been working on come under the following headings:

Cooperatives -- I am very sure that some of the small producers' problems can be solved through cooperative marketing. There are a good number of farm flocks in two sections of Colorado and the producers feel that due to the fact that they have only a small number of fat lambs to market at a time, they do not get full value for them. The same condition exists with swine producers on the Western Slope, yet so far little progress has been made in organizing a cooperative shipping association.

Grading cattle before showing them to the buyer -- Any producer wants a bunch of cattle which are uniform in type, size, condition and color to put in his feed lot. Feeder cattle can be sold more easily if they are sorted into uniform lots representing the various grades.

Information on sales at auction rings -- More feeder cattle in Colorado are sold through auction sale rings in Colorado than go through the central market, yet there is no authentic report made of the sales at these auctions except those which are sent out by the auction operators. It is felt that such reports are often colored in order to attract more business. Since auctions do represent a considerable volume of the cattle sales in the state, it is felt that some information regarding sales should go out to the producer.

More orderly marketing -- The bulk of the feeder cattle from Colorado, and from all other states where feeder cattle are produced, go to market in the months of September, October, and November.

This is also the lowest price of the year for feeder cattle. There are many producers who would be benefited, through feed saved and shrinkage prevented if they marketed their feeders earlier; also there are many who are so situated as far as feed and labor and equipment are concerned, that it would be profitable for them to hold some or all of their feeders and market them in late winter or spring when prices are higher.



The same condition exists with fat cattle. The period of high prices for fat cattle is in the month of August through September, yet the bulk of fat cattle are going to market in April through June when prices are lower. It would benefit everyone if more of the fat cattle could go to market during the times of higher prices. This is a problem that can only be solved on a regional or national basis.

Livestock loss prevention -- Due largely to carelessness, many millions of dollars worth of meat are lost each year. It has been estimated that enough meat is lost each year, due to bruising, crippling, and death in transit to feed a city of 500,000. What many producers do not realize is that this is their loss. Educational work is being done to tell the producers that this is their loss and that it is much to their interest to see that it is prevented.

Consumer education on meat selection and its use.-- There has been considerable demand in Colorado from women's organizations for information on meat. They want to know the things that are of value to the consumer when she goes in to the meat market to select meat for the family. The livestock marketing specialist has spent some time very profitably giving information to these organized groups.

### Idaho Extension Marketing Program

Robert W. Wilcox

The Idaho Extension marketing work is carried on by one man who has responsibility in the outlook and Public Policy Extension programs as well. The result is that no more than 60 per cent of one man's time is spent on marketing, including conferences such as these together with an allocation of staff committee assignments.

This distribution of time has caused us to move toward a general marketing extension program with little emphasis on particular commodities. Our attention has been directed toward training programs for veterans instructors, vo-ag. instructors and 4-H leaders. This training program involves preparation of materials and in-service training through training schools and individual contacts. We have drawn on outside agencies to assist in the training program.

The Idaho program with cooperatives is to assist in setting up district and statewide meetings where cooperative problems are discussed. The Extension Service makes suggestions on program content at these meetings and assists in securing personnel for handling the desired subject matter. Strictly service work is held to a minimum. By service work I mean such activities as auditing or legal assistance to individual organizations.

We have carried on some commodity work particularly in potatoes. The chief activity here has been in cooperation with the potato specialist. The marketing specialist has presented information on consumer preference as between different varieties and sizes of potatoes; also results of transit damage studies. The potato specialist at the same meetings discussed production practices for producing quality potatoes and getting them to the consumer.



We have done a limited amount of work with our dairy people on pricing milk by the hundredweight rather than on a butterfat basis. Our dairy industry is in process of change and we likely will spend more time on dairy in the near future than on any other commodity.

Livestock market tours are an activity used by Idaho that likely will be expanded, particularly in connection with 4-H work.

In addition to any organized program in marketing, there are special requests for marketing discussions before various groups from time to time that are serviced by the Marketing Specialist.

### A Partial Summary Statement of Marketing Work in Montana

Bruce Brooks

In Montana, we are working on six RMA marketing projects. We have a setup which is somewhat different than other states, but one which I believe is quite good.

There are five extension specialists and myself working on these six marketing projects. Following are examples of work which is being done in each of the six projects:

J. O. Tretsvon, Dairy and Swine Specialist, is devoting 20% of his time to problems concerned with marketing quality dairy products. For instance, in the past two years we have held 24 dairy marketing schools in all sections of Montana. These schools were with producers and plant men. They stress the importance of proper care and handling of dairy products to increase their demand by the housewife.

H. R. Stucky, Extension Economist, is devoting 20% of his time to livestock marketing problems. We have held four, one and two day schools in the last two years at various livestock marketing centers over the state. These activities are primarily to show the importance of proper handling of livestock in marketing; to emphasize how the marketing of livestock is done through auctions and public sales yards, and to stress to the producer the importance of producing the type of animal the retail trade wants. The fact that we have had almost 1000 people in attendance at these four schools attests to their popularity.

Harriette Cushman, our Poultry Specialist, is devoting 20% of her time to a project in baby chick marketing. She has been carrying on this project in cooperation with Experiment Station people at the college. The purpose is to ascertain the best buys in baby chicks by finding out among other things how they survive under various handling procedures such as they might experience in shipping. She then uses this information in meeting with poultrymen.

Paul Orcutt, Livestock Specialist, is devoting 20% of his time to wool marketing. We have done a considerable amount of work in organizing wool



pools. Through these pools we have been able to disseminate much of the information coming out of our wool laboratory which has a direct bearing on wool marketing. Mr. Orcutt, assisted by the wool lab, will conduct eight ewe grading demonstrations this fall with various wool associations to point out the importance of grading the ewe so as to obtain a uniform fleece of high quality.

Mary Loughhead, Extension Nutritionist, devotes 20% of her time to Consumer Education. She works primarily through the Home Demonstration Clubs on a project directed toward showing the importance of fluid milk in the diet and how it might be increased by use of certain new dairy products. As you know Montana has a considerable number of large wheat and cattle ranches without a dairy cow on them. These are the people we are interested in reaching with this project. Miss Loughhead has also given a number of demonstrations to 4-H Clubs and Home Demonstration Clubs on methods of selecting best buys, from the nutritional angle, in fresh fruits and vegetables.

I am devoting about equal time to each of these projects plus a grain marketing project. This project was added in 1951 and we are just getting a start on it this year. We will have three two-day grain marketing schools with County Agents this fall when such things as farm storage, the importance of protein in Montana wheat and how to handle it to the best advantage, grades and grading, and just the general marketing processes, will be discussed. We hope that this series of meetings will show the Agents some problems which they have in grain marketing in their counties. This should result in their requesting work such as this to be done out in their counties.

### Work in Marketing at University of Nevada

Eldon Wittwer

Extension work in the field of marketing has been seriously handicapped by the fact of no funds having been budgeted for this activity. We have had no Extension Economist for several years and what has been done was provided by other staff members.

The animal husbandry specialist, Al Reed, has conducted numerous demonstrations on live animal and meat grading using official market news men and the facilities of a local packing plant. Others have participated in educational programs and issued a few informational releases related to marketing.

Research has been more active because of the existence of mandatory FMA funds. Progress here, however, has been limited by the lack of experience (and strong interest). Formal investigations have covered only two commodities, beef cattle and turkeys. We expect to get into milk marketing soon.

The study of cattle marketing has covered the marketing practices and experiences of producers, auction markets, and shrinkage in transit. We are now getting started on a study of the functions, problems, and future of cattle feeding operations as they affect marketing.



Three phases of turkey marketing have been studied in connection with the problem of large turkeys. These were sale of cut-up turkey, marketing of large turkeys through locker plants and home freezers, and marketing costs and margins.

Marketing Problems and Activities  
That are Being Worked on in New Mexico

C. R. Keaton

Extension educational marketing work in New Mexico has been directed toward assisting farmers, ranchers, marketing agencies, and consumers. These marketing programs were carried out concerning better practices in harvesting, handling, grading, packing, storing, refrigeration, and transportation as well as buying and preparing the various food products for home use. Other work is being done on cotton lint identification, one-variety communities, and distribution of foundation seed. The six extension marketing projects in New Mexico were made possible by the Research and Marketing Act, Title II, of 1946. These projects are consumer education in food marketing, cotton marketing, egg marketing, ram certification, wool marketing, and fruit and vegetable marketing. There are four people spending full time on five of these projects. One man is spending one half time on ram certification, and one half time on wool marketing. Another man is spending one half time on fruit and vegetable marketing and one half time as extension economist. The problems and activities of the various projects follow:

Consumer Education: Information on supply and price, food value, selection, care, preparation, and use of foods with special emphasis on the plentiful foods is made available weekly to consumers throughout the state by means of news releases, radio programs and marketing circulars. Food marketing workshops were held to train county agents. The purpose of these were to furnish county agents with general background material on food marketing, to give information on methods of teaching consumer food marketing, to give assistance in preparing and delivering radio talks, preparing news releases, and preparation of visual aids in teaching.

Assistance was given to agents in carrying out a county program in food marketing through demonstrations. Also information on the various types of demonstrations were prepared. Information was collected state-wide on supply and price of the various foods and the information was sent to all areas of the state by way of news releases, radio and marketing circulars.

Cotton Marketing: Major emphasis has been placed on the cottonseed program in an effort to promote one-variety communities. Assistance was given to the allocation of foundation seed to one grower. Next year he supplies the seed to all of the growers who use the gin. Two cottonseed storage houses have been constructed according to extension specifications to store planting seed.

A combination tag, bearing gin information, variety, location, and date on one end and the Smith-Doxey, Form I on the other, has been continued.



In cooperation with the New Mexico Crop Improvement Association, a survey of all planting seed producers, handlers, and processors was conducted to determine supply on hand and the amount available for export.

The marketing specialist carries out a project each year on securing complete coverage of the areas of cotton with marketing quotes through talks, the cotton letter, news releases, circular letters and broadcasts permitting cotton farmers to take full advantage of the latest available market information. The encouragement of 4-H club participation in the demonstrations on cotton has been promoted this year.

Educational displays on cotton marketing are being set up at fairs in counties that produce cotton. In these fair exhibits, consumer education has been stressed in cooperation with the extension clothing specialist. A state-wide program has been carried on to foster cotton dress reviews. A series of cotton ginning schools were held in cooperation with county, state and federal agencies in Texas, New Mexico, and Arizona.

Poultry and Egg Marketing and Consumer Education: Information was supplied

to growers on proper methods of candling, cooling, and storing of eggs until marketed. Information on the value of marketing a premium quality product is currently supplied to newspapers, radios and county agents. Demonstrations were given on methods of cleaning, candling, and grading of eggs before marketing. Information and demonstrations have been given to egg dealers and dealer employees on the proper candling and grading methods and also the value of marketing a high quality product. Consumers are currently supplied with information on the various qualities and grades of eggs and the various uses for each quality. Demonstrations have been given on the quality and grades of eggs to 4-H clubs and consumer groups. Information is given to egg dealers pertaining to the New Mexico Egg Grading Law of 1951. Information is supplied over the state concerning the production of poultry and eggs in New Mexico and the encouragement of using New Mexico produced eggs. Current work is in educational exhibits at state and county fairs pertaining to marketing a high quality egg by producers and consuming eggs according to their various uses. Training schools for egg candlers and sizing will be held throughout the state to train those attending on the quality specified in the New Mexico Egg Law.

Wool Marketing, Ram Certification, Ewe Classification, Selected-mating: Continued work has been in improving the system of evaluating rams of the wool breed for sale and for the up-grading of "parent herds". Efficient usage of certified rams through selective-mating with ewes of equivalent grade has been encouraged.

Work is being done to develop regional types of wool for markets through breeding that are uniform as to grade, length, and shrinkage which will command higher premiums on the markets. Entire "parent herds" have been certified and classified so that rams can be distributed throughout the state which would step up the production of present certified stud herds. Continued work is being done to improve marketing facilities of standardized salable rams so that information on the inter-relationship of body and fleece can be



obtained to estimate clean fleece production and shrinkage. Wool clinics are used so that more qualified graders can be certified to carry out this program in all areas in New Mexico.

One of the main projects this year has been a demonstration on feed lot fed rams to range type rams concerning the production, length of wool, body weight, and conformation.

Wool marketing work has been done to improve the preparation and handling of wool for market and the encouragement of production and sale of wools that are uniform in fineness. Work has been done to develop a more complete news coverage to growers so that they can more easily evaluate their wool. This will promote efficiency and improve marketing facilities in the out-of-way areas within the state. Continued effort has been placed on grader-certification of qualified county agents and wool growers through schools, tours, demonstrations, publicity, and market labeling of field-class wools. Information is collected each year on wool sales at major wool warehouses throughout the state to obtain information that is useful to the grower. Further work has been done with county personnel, extension specialists, and wool growers in drafting plans for practical long-range ranch equipment essential to marketing, such as shearing sheds, working chutes, and improved corrals.

Fruit and Vegetable Marketing: Major activities have been to establish needed marketing facilities for fruits and vegetables by providing the necessary information. One facility has been completed and two others are under way. A new apple-packing shed has been erected with all the latest equipment and two other packing sheds have been started. Information has been supplied to the growers individually and in group meetings concerning price, supply, consumer demand, etc. Other information provided to the growers has been harvesting, handling, grading, packing, storing, refrigeration, and transportation.

During each month of the harvest season a questionnaire is sent to the county workers concerning the quantity, quality and location of the various fruits and vegetables in their county. This is returned and tabulated and sent to over 800 interested buyers, sellers, and truckers in this state and surrounding states.

Educational booths have been prepared and displayed at state and county fairs.

Major emphasis has been placed on 4-H group participation in fruits and vegetables. Assistance has been given in showing how to display fruits and vegetables. One training school held by the fruit and vegetable branch of the PMA was attended. A central wholesale house for Albuquerque, the main consuming center, was investigated, and discussed at numerous meetings of interested producers and dealers. Marketing schools were held to encourage the more efficient use of available equipment and material and to provide information on price, supply, and demand. Two technical releases were prepared and distributed to all fruit growing areas in the state.



## Doing Marketing Work in Oregon

Edward F. Coles

Oregon laws designate Oregon State College as the state agency "with full authority and responsibility for the collection and dissemination of statistical information bearing upon crop and market conditions and upon trends in agricultural production."

Limited funds have been appropriated by state legislature since 1937 especially "for the collection and analysis of agricultural statistics relating to Oregon agriculture."

Oregon laws differ somewhat from other western states by designating this responsibility for doing marketing work to the extension service at the Oregon State College. In many of the western states the law provides for the state departments of Agriculture to do this type of work.

The primary purpose of our program in Oregon like all other extension projects is to disseminate education information originating in departments of the national government, state colleges and other reliable sources. As specialists, we attempt to keep county agents informed about trends and economics conditions and the reasons for these developments, so that they can answer the questions raised by farmers and others. Working together, we undertake to keep a constant flow of economics information reaching the state farmers and the public generally.

The Oregon extension service had much help in carrying out this undertaking. Radio stations, newspapers, trade journals, farm groups and many individuals help spread information.

For information of significance to Oregon people we draw on many sources. These sources include many divisions of the United States Departments of Commerce, Labor, and Agriculture. We have informal cooperative relationship with all of these and formal agreements with some. We have formal cooperative memorandums of understanding with two branches of the Production and Marketing Administration. One agreement is with the Market News Division. It provides, among other things, for the Corvallis connection on the Market News Services nationwide leased wire. This outlet is one of the two in Oregon. The other is at Portland with the Fruit and Vegetable Branch of the Market News Division.

The leased wire is heavily loaded each day with market price and condition information from the nation's key markets for most, but not all, Oregon farm commodities. Spot market information most valuable to Oregon farmers is summarized from this wire by our extension project office for broadcast over our state station each noon and each evening. In addition, ten regular and three special commodity group reviews are prepared for dissemination each week.

Besides summarizing and disseminating information we do a certain amount of assembling in primary sources within the state. All of this is intended to supplement work done by federal agencies to meet special needs of Oregon Agriculture.



This is where our second agreement with Production Marketing Administration comes in. It is with the State Marketing Services Branch. Using our RMA funds along with state money it provides for exploring possibilities of assembling and reporting information on local market conditions in Oregon. This work supplements services rendered by the fruit and vegetable, livestock, and grain branches of the Market News Division.

Three phases of this work was started back in 1950. One was the daily reports of fruit and vegetables arriving on the Portland market by truck. Second, reports of livestock auction sales at Ontario and Corvallis each week. Third, local prices and market conditions for several of Oregon's numerous seed crops.

In addition to the Market information staff we have Mr. Paul Carpenter working almost entirely with cooperative organizations within the state, also we have a Livestock Marketing Specialist and a Dairy Marketing Specialist.

RMA funds for participation in the phase on truck receipts of fruits and vegetables ended in July, but the project is being continued by the extension service due to the urgent request of produce growers and handlers in the Portland area.

In the second phase of our project of reporting livestock auction sales, the sale at Ontario is now being reported by the livestock agent in Malheur County. The central office at Corvallis is still reporting the auction sale there. RMA funds are being used to demonstrate auction market reporting at Klamath Falls for the next several months. After this trial at Klamath Falls the local producers and other interested parties there will have to decide as they did at Ontario if they wanted this type of work carried on as a regular extension service.

Our work with cooperatives and our Marketing Specialist will be brought out at another period of this conference.

We draw upon all these crops and market reporting activities as well as other information released by other divisions of the United States Department of Agriculture in preparing Oregon Agricultural Situation and Outlook reports. These are now being issued eight times a year to help farmers bring crop and livestock program in line with market prospects. Fourteen different market reviews and market reports are being issued each week--1. Prices, costs and weather; 2. Seed speciality crops; 3. Farms forest products; 4. Fruit and Nut crops; 5. Potato and truck crops; 6. Commercial feed stuffs and hay; 7. Eggs and poultry; 8. Ontario livestock report; 9. Cattle and hogs; 10. Sheep, lambs and wool; 11. Grain crops; 12. Dairy products; 13. Corvallis livestock report; 14. Klamath Falls livestock report.

Eight outlook reports are prepared during the year--1. Fruit, nuts and berries; 2. Spring planted field crops; 3. Potato and trucks crops; 4. The midyear situation; 5. All sown crops; 6. Meat animals and dairy; 7. Eggs, poultry, etc.; 8. Farm business during the year.



Oregon statistical year books prepared are, 1. Special agricultural crops; 2. Farm Grown products; 3. Seed crops; 4. Grain and hay crops; 5. Speciality animal products.

### Marketing Activities in Utah

M. H. Taylor

In Utah we have two RMA projects with 6 people giving part time or full time to the projects. On one project two consumer education specialists function in our two largest cities, Salt Lake City, and Ogden. Mrs. Tippetts and Mrs. Tanelian work on this project. Dr. Milton Anderson contributes 1/4 of his time on this assignment. The other RMA project is on livestock and wool marketing. I have a full time assignment on this project, Leon ichaelsen 1/2 time, and Russell Keetch 1/4 time. In addition to this, Ray Wilson, who is our Extension Economist has done some work on marketing of apples, alfalfa seed, peaches, poultry, grains, and dairy.

In their locations, our Consumer Education Specialists each publish a weekly leaflet on best food buys. They also have regular radio programs and an occasional spot on TV. Each prepares demonstrations on shopping to give before various consumer groups. In addition, Mrs. Tippetts has been doing some work on consumer education with 4-H clubs in Ogden. Mr. Anderson assists both Consumer Education Specialists with trade information on varieties, supplies, prices, etc.

In our livestock marketing work, we prepare a plan of work with broad long time objectives and specific short time (1 year) goals attacking specific marketing problems. Other specialists in their work contribute to accomplishing the goals established. Typical of the marketing problems, objectives, and goals on which we are concentrating are the following:

Problem I. Studies indicate that 2/3 of all livestock is sold to contractors, order buyers, and local dealers and at local auctions. We are convinced that in many cases these are not the most profitable outlets.

Objective. Influence farmers to study and recognize the most profitable markets through which to sell their livestock and learn which buyers and commission firms offer the best services.

Goal 1. Aid 500 producers to understand market reports and grades of livestock and wool so they can determine what their products would bring on the market from a study of market reports in order that they may choose a market more wisely.

Goal 2. Acquaint 150 livestock farmers and 100 youth with central market facilities, services, and personnel so they will gain confidence in this channel of sale; compare services offered by alternative market outlets and encourage the use of most attractive market.



Other livestock and wool marketing problems receiving attention are:

1. Helping producers to learn more about scales and weighing so they will be better able to represent their own interests where their stock are weighed over country scales.
2. Help producers to sell their wool to greater advantage by giving them a better understanding of market values and wool grades and by teaching superior wool preparation techniques.
3. Influencing producers and sale organizations to foster sales of sires in which overfitting is discouraged and more complete information of an analytical nature is given regarding the offerings.
4. Reduce marketing losses from bruises, crippling, and death.
5. Influence some producers to shift their production programs so stock are marketed earlier or later in order to attain better weight and/or price.
6. Through work with producer groups including livestock associations, coops, marketing agencies, etc., build up an understanding and appreciation for Extension Service activities.

Other marketing problems that received attention are as follows:

1. Pricing and outlook on alfalfa seed where poor statistics are available.
2. Storage of apples to lengthen our marketing season.
3. Peach marketing agreements to improve selling of local crop.
4. Improve grain storage in production areas to take advantage of seasonal price rises and reduce loss from contamination and spoilage.
5. Present reliable information concerning long time prospects of the poultry industry including changes in demand and markets.

Most of these activities are carried out by weekly economic releases to a select mailing list and by tours and demonstrations.

Consumer Education and Other Marketing Activities  
in Washington State

Agnes Sunnell

Purpose:

To assemble, interpret, and disseminate food marketing information.

To improve nutrition through better buymanship.



To reach as many people as possible in Seattle and the state with this information.

By doing so promote better consumer-producer relations.

#### Situation and How We Meet it:

1. Over half of population is in west side of state. Therefore, this is center of consumer education work. About half million people in Seattle area alone.
2. At present there is no marketing specialist or economist to assist in consumer education project.

#### Activities in Consumer Education:

1. Publish weekly leaflet entitled "Know Why When You Buy". It goes to 2000 leaders in the state including home economists, journalists, public health representatives, welfare department, college home economics students in four colleges, home demonstration leaders, 4-H club leaders, radio stations, newspapers, and house organs. It receives further wide distribution agencies through these leaders.
2. Give two weekly radio programs--one with the radio farm advisor and one planned by me on consumer education topics usually those discussed in "Know Why When You Buy".
3. Do one TV show a month. The one-half hour show is devoted to Best Buys and a demonstration on a plentiful food.
4. Occasional public appearances on programs such as Federated Women's Groups, P.T.A., Farm Bureau, school lunch, cook's institutes, and home demonstration training meetings.
5. Participating in workshop for training home agents.

#### Other Marketing Activities:

Karl Hobson, Outlook and Price Analyst, at the college at Pullman is the only other employee with an assignment in marketing and outlook work. His program includes the following activities:

1. Preparation of a monthly outlook and marketing leaflet distributed widely to over 10,000 Washington farmers.
2. Preparation of a monthly economic fact sheet for county agents presenting additional background information beyond the information in the leaflet and including rather specific predictions on price movements.
3. Participation in regular radio broadcasts on markets and prices.
4. Occasional meetings with producer groups, though this is held at a minimum.



## MARKETING PROBLEMS AND HOW EXTENSION CAN HELP IN SOLVING THEM

Dr. Lawrence Morris

Poultry Department, Brigham Young University

(Summary notes of talk)

Marketing of agricultural products is one of agriculture's major problems at the present time. The Agricultural Extension Service is in a unique position to aid in the solving of these marketing problems. From my vantage point after having been one of you for many years (and I still regard myself as one of you though I have been more recently employed by a commercial concern), I am listing some of the comments that various industry people make about us. In preparation for this talk I visited several associated industry representatives and asked for their critical analysis of Extension work. Some of the comments you will recognize as not justified, but they express an opinion which we should give credence to as we plan our activities. With that in mind I list for you some of the criticisms of industry people.

1. One of the great sources of strength of Extension is their tie to the Land-Grant College system of teaching and research at the State College and the U.S.D.A. While this has its advantages some industry people criticize Extension as not being practical due to these far off influences.
2. The traditional esteem for the County agent is gradually slipping among many who feel he should be an all around specialist.
3. The Agricultural Extension Service should capitalize on the word "agricultural" in their title to differentiate them from extension divisions of other colleges.
4. Reluctance to change. This may cause industries to set up their own educational programs.
5. Refusal to recognize the problems of industry or its point of view. Industry is beginning to mellow. Education is beginning to mellow. Industry has said, "The forecast is a hunch with a college education." If we, in the Extension Service will just "give" a little, industry will look to us to supply information. They will open the way and "run" interference for us.
6. Too much theory, too little practicality. Example: National survey of chick feeding recommendations indicated unreasonable variation between states. National feed manufacturers are anxious to reduce the number of feeds made to a minimum. They can't do so and follow all these recommendations. All these recommendations can't be right. The educator's job is to "find, filter, focus, face, and follow facts."
7. Extension Service can't seem to anticipate the new needs of industry. Industry wants trends and facts--not figures. It wants long time trends differentiated from short time fluctuations.



8. Many publications are too bulky. Don't publish filler; industry is looking for kernels.

9. Many leaders of agricultural industries lack confidence in the judgment of Extension Service people. We haven't done a good job of advertising. We've got to do a job of selling ourselves before we can sell our product which is "agricultural information."

10. County Agents sometimes seem to hate to work with industry. The County Agent identifies himself so closely with the farmer that he fails to see where objectives and programs of industry people are identical to those in agriculture.

11. Too many Extension workers try to make up the minds of everyone, rather than to tell a man there are two roads and here are the advantages and disadvantages of each. We should guard against trying to indoctrinate people, but instead give them facts and let them make the decisions.

12. Some industry people say we should give more sales help to industry. We should take a positive approach to help sell your State's products. If there is a negative side, don't mention it. In giving help of this kind we might well undertake to help retailers to better display their products.

#### Suggestions to Agricultural Extension Service Workers

Industry thinks they should have a greater voice in planning the curriculum, research and extension programs dealing with agriculture. They feel we should stress consumer education, that we should work for improvement of scales and weighing. They also think that we should provide information on transportation, including information on best markets and routing and also on billing procedure to obtain maximum service at lowest cost. With these comments in mind we should:

1. Learn the problems of industry. Ask industry. Become familiar with the actual problems through the layman market man's point of view.
2. Encourage and teach better marketing methods.
3. Teach how to produce, sell and preserve a better quality product.
4. Work on getting continuous availability of a product for retailers.
5. Promote merchant training schools for retailers and become acquainted with your local retailers' products.
6. Carry education to the city. Educate the city consumer to the problems of the producer.
7. Plan programs well.

## RETAILERS' PROBLEMS IN MARKETING

Richard Maycock:

Manager, Zion Cooperative Mercantile Institution  
Wholesale Department, Salt Lake City

There is a higher mortality among retailers than any other business group. This is probably due to the fact that retailers' problems are many and unique. It is no doubt due also to the fact that conditions are continually changing, that effective management requires many unusual abilities, and most of all that trade patterns are shifting decisively. For instance, a new large suburban store may bring disaster to several small neighborhood stores.

Some major problems that require successful solution for efficient retailing are outlined as follows:

1. What lines of merchandise should be carried?
  - a. Fresh meats, fresh produce, frozen foods, dairy and poultry products carry the highest margins, and the greatest risk. They require better merchandising.
  - b. Specialty store or complete market. Can a retailer attract sufficient trade into a specialty store to counteract the buying tendency for shoppers to make a one-stop trip to market?
  - c. Good selection and economic use of space and equipment. A grocer must learn how to attract customers by making shopping easy, wise placing of displays, and correct selection of equipment for speed, efficiency, and economy.
  - d. It is not always easy to decide on the proper locality. The seller must know the customer to whom he expects to sell. He must know what competition he has for these customers. He must know the gross margin required for successful operation.
2. What should be the grocer's source of supply? Can he best use his time in buying from many sources or better in selling one line of merchandise? Which will satisfy his customers?
  - a. Must decide between one distributor or several or whether to purchase directly from farmers or farmer markets.
  - b. Must decide on the basis of quality, price, guarantees, continued availability, and relative service that goes with the product.
  - c. Decision will depend on many things including size of market, and time available.



- d. If an independent he can compete better with chains by having a single source of supply considering quantity of delivery, price, and quality.
  - e. If a group of growers are sponsored by a wholesale distributor, will he do better price-wise as a member?
3. How should advertisement and promotion of products be done?
- a. Methods are: handbills, newspaper ads, radio or TV spots, interior displays such as window posters.
  - b. Problems are that newspaper ads are expensive, it is difficult to advertise locations of stores on group ads, timing must coincide with buying customs, etc., preparing the ad with a proper balance between departments.
4. How should the retailer price all products to attract customers, be competitive and still make necessary over-all margins?
- a. Must decide whether policy should be one of maximum gross with fewest customers or maximum gross with many customers. Which will be best in the long run?
  - b. Must decide whether to issue credit or to deliver groceries and if so if these costs should be included in prices.
5. Should merchandise be marketed on a self-service basis--in all departments or only one?
- a. Factors (1) size of market (2) locality and competition (3) customer desires (4) equipment needed and layout required (lights, mirrors, etc.)
  - b. If manager decides upon self-service he must make many decisions on packaging:
    - (1) If decides on self-service where should packaging be done? Can he do it cheaper or can the processor or distributor?
    - (2) The problem of pre-packaging is especially pertinent for fresh fruits and vegetables, dairy, poultry, and frozen foods, also for meats.
    - (3) How many sizes should be offered on the shelves and how many assortments can be offered without excessive waste?
6. What effect will new developments have upon merchandising plans such as the home freezer food plans now being offered?
- a. Considerations:
    - (1) Will he have to become a distributor of food lockers to keep his business?

- (2) Will the retailer be selling in bulk in the future instead of the small package hand-to-mouth buying of the present and recent past?
7. Will the trend for the perishables department to attract and hold customers continue to grow? And if so this will greatly influence in planning.
- a. He must learn to merchandise perishables better, to maintain freshness, quality, and cleanliness, provide varieties in demand and convenience in shopping, sell products for attractive values and improve courtesy to the customer since personal contact will increase in this department.
8. A product is not sold well and with customer satisfaction unless the customer knows how to handle and prepare the food so that she will return for more of the same product.
- a. Preparation suggestions on fliers or by skilled clerk will improve acceptance.
  - b. Grocers' association conducts schools for clerks and managers.
  - c. Retailer must be able to teach, train, and inspire his help.
9. A retailer must constantly keep enough records to know where he is going over all and to know how different departments balance out.
10. Many problems are not mentioned such as:
- a. Evening openings -- will convenience pay out?
  - b. Sunday openings.
  - c. Labor unions and the problems in management they create.
11. Summary: Successful retailing will depend on satisfactorily solving the many problems listed above and others. A successful retailer operates under the following considerations:
- a. All operations are planned to serve his customers better.
  - b. The customer is the retailer's boss.
  - c. He looks at the consumer's problems through her eyes.
  - d. The atmosphere of the market is frequently more important than the price (clean, modern, friendly courteous atmosphere, etc.)



## EDUCATIONAL WORK WITH RETAILERS AND OTHER FOOD HANDLERS

Raymond C. Scott

Since the Research and Marketing Act of 1946 was passed, considerable attention has been given to working with food handling and distributing agencies in a number of the states. While this phase of Extension's activity has often been labeled "Retailer Education," the term does not adequately express the area in which work has been carried on in most states. In general, Extension has worked with other handlers as well as retailers. It was only natural that Extension place additional emphasis on work with food handlers since the results of considerable research were available and Extension had the "know-how" of presenting this material. The Congress recognized the need for work beyond the farm when Research and Marketing Act funds were appropriated.

Much of the early work in this area dealt with fruits and vegetables. Considerable interest has been developed in the handling and merchandising of meats and poultry products, and work in these fields will be discussed later by Mr. Luke Schruben.

### Objectives of Work With Retailers And Other Food Handlers

A group of marketing specialists who attended an Extension marketing workshop conducted at Purdue University in June 1952 discussed the over-all objectives of the work in this field. I should like to quote a part of the report of this group.

"The objectives of the work is to assist retailers and other food handlers in increasing the efficiency of their operations through the adoption of better methods. The accomplishment of this objective will mean greater profit to the retailer and will in our free enterprise system be reflected in better returns to the producer and greater satisfaction to the consumer.

"This objective can be accomplished by an extension program that: (1) Utilizes extension personnel in many fields and existing extension organization, modifying and supplementing these as necessary to meet the needs in this field, (2) Is coordinated with extension programs for producers, consumers, processors, and other groups, (3) Relies for guidance and leadership in program planning and execution on representatives of various segments of the industry and other related groups who are familiar with the most important problems and educational needs of food distributors, (4) Works first toward a solution of those problems recognized by the trade that offer the greatest opportunity for material accomplishments in light of factual information available and capabilities of Extension personnel, (5) Approaches problems from the viewpoint of retailers and other food distributors, (6) Relies heavily on research results as a source of unbiased, factual information, (7) Makes full use of a variety of teaching methods that have been successfully used by extension workers for a period of years and new methods particularly adapted to this field, (8) Stimulates action by individual retailers and other food distributors through the use of the most reliable information for the solution of their problems, (9) Interests

and encourages commercial firms, trade and other organizations to participate in the dissemination of information and to stimulate the adoption of practices which will lead to greater efficiency in food distribution, (10) Provides for in-service training of the personnel engaged in the program including exchange of experience and, when needed, work experience in the industry, and (11) Is strengthened by continuous appraisal of the degree to which results achieved are meeting the needs."

### Status of the Program

The period of concentrated effort in this field has been confined to about five years but Extension has been doing work in this area for many years. Programs have been initiated and successfully developed in about one-fourth of the States and similar programs are in the planning stage in other states. These programs have indicated successful extension education with retailers, wholesalers and other groups. At the Purdue workshop, representatives from most of the States carrying on educational work with retailers and other handlers reported on the development of the work in their state. I shall review briefly the programs as outlined by Mr. Milo G. Lacy, Retailer Education Specialist, of the Federal Extension Office. If additional information is desired on the programs in the various states, you would find it worth while to review the report of the Purdue conference which is being published by that institution.

### Extension Programs With Retailers and Other Food Handlers

#### Alabama

Schools for retailers are organized by county extension workers on a county basis. The county agent in charge of all arrangements, including publicity, arrangement for place at which meeting is held, securing cooperation of wholesalers, obtaining supplies of fresh produce, etc. The marketing specialist serves as the instructor.

Schools are conducted on a 1-day basis for a period of 8 hours. The demonstration-participation type of program is used and deals with improved methods of buying, handling, preparing for display, displaying, pricing, merchandising, and record keeping.

#### Connecticut

A series of publications have been prepared on the marketing of specific commodities, with the retailers problems in mind. It has been estimated that approximately 5000 retailers in the state have been reached through this phase of the program.

A retailer training school is planned for Hartford this fall. Requested by a local wholesale organization, this school will be concerned mainly with skills of handling and merchandising fruits and vegetables. The specialist in Connecticut also gives considerable attention to the problems of retailing of produce through roadside stands.



Indications are that an increasing amount of attention will be given to store-door delivery of fresh produce from farms. This program will be discussed at meetings with retailers and the advantages will be considered.

### Florida

Requests for retailer training in the various areas of the State are initiated by the county agents who contact wholesalers. Retailers wishing to attend classes are organized into groups of 10 to 20 and instruction is given in stores conveniently located for each group.

A series of four 2-hour meetings are held for each group of students, usually one week apart. Subjects covered include buying, receiving, preparing for display, building displays, care and handling, prepackaging, pricing, and problems of management. Considerable attention is given to the characteristics of fruits and vegetables, as they effect breakdown and spoilage losses. The specialist visits each store represented in this school following attendance at his meetings to make personal recommendations and to discuss individual problems with the retailer.

### Illinois

This program is directed at management and deals mainly with merchandising and management problems. Local businesses and associations are encouraged to sponsor the work.

In-store follow-up work is an integral part of the program. Some skills are taught, as well as management problems, in order that management may teach the clerks how to properly care for and display produce in the stores. Considerable attention was given to the training of produce salesmen as well as management of the stores, with little emphasis placed on the training of clerks. During the period of July 1951 to April 1952, more than 90% of the total number of individuals trained represented management. A tuition fee of \$5 is charged per store.

### Indiana

Classes in the merchandising of fresh fruits and vegetables are conducted on a 1-day (8 hour) basis. Instruction is conducted in a converted house trailer which provides facilities for a produce rack and space for 12 trainees. Local committees on which the county agent usually serves as chairman make arrangements for classes.

The program is sponsored by local wholesalers and instruction given includes receiving, care and handling, preparing for display, principles of display, packaging, pricing, buying, and general problems of retail store operations. A tuition fee of 10 is charged per store, regardless of the number of employees attending. This tuition fee includes the meat and poultry merchandising as well as merchandising fresh fruits and vegetables. The average number from each store attending has been about 3.

### Maryland

The principles of fresh fruit and vegetable handling and merchandising are taught in a series of four 2-hour meetings. Emphasis has also been placed on extending the results of research on handling and facilities to leaders of the food industry. An example has been the research concerning the check-out counter developed by the U. S. Department of Agriculture.

Some work has been done on a commodity basis, such as a program with 2 chain store organizations to market pre-cooled sweet corn. The specialist has cooperated with the home demonstration agents in conducting consumer classes on buying, storage, and preparation of fresh fruits and vegetables.

### Massachusetts

The specialist works with the aid of a marketing committee composed of 12 state and county extension representatives who formulate over-all plans and policies. A sub-committee has been established to plan and organize schools.

Marketing specialists, county and home demonstration agents participate in the teaching of retailers. Considerable attention has been given to the teaching of principles as well as trimming, display and other skills.

During the coming year a short course will be given at the University to train individuals in handling and merchandising. In addition to specialists at the college, leaders from the trade will be brought in to do part of the teaching.

### Michigan

Retailers are trained at a series of 3 meetings and buying, receiving, storing and preparation for display, displaying, day and night care, pre-packaging, refrigeration, store management, customer relations, pricing, record keeping and advertising are discussed.

Specialists have participated in food industry conventions, giving demonstrations on handling and merchandising. They have also helped to plan a nation-wide produce managers' course for a trade association representing over 6500 food stores.

Considerable attention is given to the use of the trade press in informing retailers and handlers concerning better handling and merchandising practices.

### New Hampshire

Classes are held in a series of five 2-hour periods. Subject matter presented includes care and handling of fresh fruits and vegetables, packaging, consumer point of view, buying, pricing, and displaying. A steering committee of local retailers is set up and given responsibility for arrangements and scheduling. Specialists cooperate with the State Grocers Association, Industry, Bureau of Markets to plan the work.



Demonstrations are conducted in the stores to show how sales can be increased through attractive displays and consumer information about certain produce items.

### New York

Some work was conducted with retailers and other handlers on the handling of certain highly perishable products prior to World War II. In general, the commodity approach has been followed, with the specialist placing emphasis on work at various points in the marketing system where important problems exist.

Emphasis has been placed on the extending of the results of research to the trade. Some demonstrations on better merchandising practices have been set up in stores. In general, major attention has been given to working with management of stores or store organizations, as well as producers, producer-organization and handlers. Mass media have been used rather extensively in order to reach many handlers.

Work has been conducted on the handling and merchandising of the following commodities: apples, grapes, peaches, lettuce, potatoes, sweet corn.

### Rhode Island

Classes have been taught in a series of five 2-hour meetings, with subject matter including care and handling of fresh fruits and vegetables, buying, trimming, displaying, pricing, packaging and consumer relations. The marketing specialist has been assisted in conducting the classes by the horticulturist, nutritionist and other marketing specialists.

Retail store visits played an important part in this program. The specialist has reported that there has been an increasing interest in other perishable products including meats and poultry.

### Wisconsin

Schools were conducted in Wisconsin from 1948 through June, 1952. Classes were conducted in 13 cities with about 750 retailers attending. Follow-up visits were made to more than 600 of the retailers.

Classes were held in a converted house trailer equipped with a produce rack and equipment necessary for operating a fresh produce department. Items taught included planning, building displays, receiving, characteristics of produce, pricing, and record keeping.

Considerable work was done at local and state grocers association meetings. Other discussions of merchandising methods and techniques were held.

This program was developed initially to work entirely with the training of retailers. Plans for the coming year include work with consumers, producers, retailers and other handlers.

### Work in Other States

The above states are those in which RMA projects on handling and merchandising of fresh fruits and vegetables have been instituted. Work with the trade is being conducted in many other states as a part of the regular extension program.

#### EXAMPLES OF 4-H AND YMW MARKETING WORK IN STATES OUTSIDE THE WESTERN REGION

L. R. Paramore

Historically, major emphasis on 4-H Club work has been on production and home-making projects. Put in connection with these projects, considerable marketing educational work has been done with 4-H members relative to market grades, price differences for quality, and how marketing operations are carried on.

In the past few years there has been increasing interest and activity in 4-H marketing work. For example, Oklahoma started an RMA project a few years ago on livestock marketing. Part of this project deals with teaching 4-H Club members how to do a better job of marketing cattle. Emphasis is placed on boys and girls conducting commercial cattle projects following regular farm and marketing practices rather than growing show cattle to be marketed at premium sales. When the cattle in one or more counties are ready for market, they are sorted into uniform lots, graded and sold to regular commercial buyers. The Club boys are brought into the market to participate in the grading and selling. In addition to getting first-hand experience, they are also given instruction on the organization of the market, types of buyers, methods of selling, and other market features.

Another program which is sponsored jointly by the Extension Service and the American Institute of Cooperation is the training of 4-H Club and YMW members on the function of and place for cooperatives in our economy. This project includes actual work involving marketing, purchasing, service, and general education on cooperatives. Development of the specific program to be carried out in any State is worked out locally by the State 4-H Club leaders, marketing specialists, and State extension administrators. The American Institute awards up to 10 plaques in each State to 4-H Clubs conducting outstanding programs in the field of farmer cooperative business. Top award for district or State winners is a trip to the summer session of the American Institute. This award is usually sponsored by either the State cooperative council, a group of cooperatives, or a single cooperative, as may be worked out in an individual State.

In 1951, 19 States selected and sent 4-H representatives to the youth session of the American Institute of Cooperation here at Logan, Utah. Six States have awarded plaques given by the American Institute and a few States have developed their activities on an individual club basis. It is expected that there will be about 25 States in the program to some extent this year.



Consideration is also being given to expanding educational work with young men's and women's clubs. Information giving suggestions as to the type of activities YMW Clubs may undertake has been prepared and sent out to the State extension services. Among the things suggested on cooperatives are: tours, running a cooperative for one day, cooperative dramatics, aiding existing cooperatives in conducting annual meetings or special programs, serving on junior boards of directors, making individual studies of cooperative business, appearing on programs, etc.

I should like to mention a few other types of State activities--

Oklahoma Timely Topics:--A Timely Topics contest is conducted annually in Oklahoma in which a large number of 4-H Club members, both boys and girls, participate. They select subjects for study and discussion. Cooperatives has been one of the important topics each year. County and district winners are determined, and State contests are held to determine champion winners.

South Carolina Sweet Potato Project:--For several years the South Carolina Extension Service has sponsored a 4-H sweet potato production and marketing project. This program involves a complete teaching effort, beginning with selection of land and seed stock, and going on to marketing a graded quality pack. The State winning Club is given a trip to New York or Boston in conjunction with the sale of a carload of these sweet potatoes. This has proved to be a very popular program in South Carolina in which both production and marketing specialists participate.

Michigan Dairy Project:--The 4-H and extension marketing people in Michigan have assisted in taking 4-H groups to Detroit to study the milk processing and distribution system in that large city. This has proved to be a popular type project for those 4-H members interested in dairy production and marketing.

Ohio Pageant:--Early this summer the people in Ohio gave a 4-H pageant, "The Farmers' Hired Men," in a number of counties throughout the State. The pageant was conducted out on a farm and was designed to tell the story of the farmers' cooperative as a marketing agency, a source of supplies, and a provider of community service. The Ohio program was sponsored by the Extension Service and the Ohio cooperative council. This program was thought to be very worth while.

4-H Grain Marketing:--Recently the Chicago Board of Trade sponsored a national 4-H grain-marketing program. The national winner on this project is given an all-expense-paid trip to Chicago to be guest of the Board of Trade and to spend about three days studying grain marketing organization and methods in the large terminal market of Chicago. So far, the States participating in this project are mostly in the commercial cash grain areas.

These are a few examples of work that is going on in other States and which I hope will serve as a basis for further discussion along with the work you are doing here in the Western States.

#### 4-H CLUBS AND CONSUMER EDUCATION

Agnes Sunnell - Washington State

Listening to the preceding talks on the need for marketing information to give 4-H Members, I believe we could just substitute or add "Consumer Information" and all statements would apply. Consumer education is an integral part of production, and marketing and does not stand alone. Because in the last analysis the consumer acceptance determines the production.

Consumer Education for 4-H Club Members is a part of every project whether for boys or girls. Commodity production has the consumer as the final objective and the home economics projects are based upon wise selection and use of commodities such as food, fabrics, services or furnishings. Teenagers are responsible for many purchases in any family. Ask the mothers and fathers and they'll say that in addition to choosing their own clothes, they help decide everything from what the family eats to what furnishings or automobile to buy. Industry and advertising is aware of this and often slant their appeals to this age group.

Public relations with business people is the first step in the consumer-producer pattern. 4-H'ers need background information for making a sale or a purchase with confidence and fairness to both parties. An example of this in the state of Washington is the industry sponsored Junior Poultry Exposition for 4-H and E.F.A. where poultry and poultry products are judged from live through dressed state and to the cooked product. There is need for similar encouragement in vegetable, fruit, dairy and livestock projects. Judging in these commodities are for production factors mainly and we still need the selection for use and why of the pricing to complete the information. Commodity Specialist and Administrators need to be sold on the importance of Consumer Education for 4-H and make the necessary information available to County Agents, 4-H Leaders and 4-H Members. We all need more information on products raised in our state and actually visit or visualize them from production through processing, shipping, and final distribution and use. Knowing the economics along the way and some of the problems of each handlers will make the 4-H Member a better informed adult.

Planned tours for 4-H Members through the industries involved in getting their local products to the consumer is a beginning. Follow this up with illustrated talks and demonstrations and the information becomes a part of their experience.

The Junior Poultry Exposition was mentioned as an all over educational feature. Combined with this is an extra day of tours through various industries in Seattle. Serv-U-Meat a wholesale meat distributor for hotels and clubs mainly has a supervisor who will teach meat identification in his plant when asked to. Sears, Roebuck as part of their 4-H public relations job encourages tours of their catalogue store as well as their retail program. J. C. Penney sponsors a fashion show for 4-H clothing blue ribbon winners. Professional teen-age models show suitable clothing for high and grade school girls. Industry believes in public relations for the 4-H age group--as the twig is bent the tree will grow.



Consumer Education for 4-H or adults cuts across all projects and is a necessary part of each one. It isn't feasible to treat it as something special. We all make decisions and judge selections for use and we need information to do a better job.

SUMMARY OF DISCUSSIONS AND PAPERS ON  
DOING MARKETING WORK WITH 4-H AND Y.M.W.

(Prepared by: L. R. Paramore, David Sharp, Claribel Nye)

The review of marketing educational work with 4-H Club and young men and women's groups indicates a wide variation in emphasis and activities among the western states.

California in former years conducted marketing activities for 4-H Club members through tours to study marketing organization, methods and facilities in the metropolitan areas of Los Angeles and San Francisco. These were sponsored tours and included specific studies of marketing farm products important in the areas where 4-H members lived. This activity was discontinued during the war but plans are now under consideration for its revival.

Several states reported educational programs for 4-H Club members on farmers cooperatives. This program is sponsored jointly by the Cooperative Extension Service and the American Institute of Cooperation. In 1951 the American Institute of Cooperation awarded plaques to winning 4-H Clubs in Nevada, Washington, and Idaho in the western region. Five states, Utah, Colorado, Idaho, Montana, and Washington also sent representatives from 4-H Clubs to the American Institute Meeting, which was held at Logan, Utah.

Mr. Sharp, 4-H Club leader in Utah pointed out in his discussion that marketing is an appropriate subject for all ages of 4-H Club members, provided the programs are properly chosen, planned, and executed. It was suggested that marketing work with 4-H members may be handled successfully as an activity. This, however, should not preclude specific projects with or without sponsorship, provided they are properly planned and safeguarded from commercial influence.

Considerable time was spent in discussing the merits and demerits of 4-H Club show-sales of livestock where high premiums are paid for prize winning animals. The consensus of opinion indicated that there are both good and bad features of premium 4-H shows and sales. It was agreed, however, that more emphasis should be placed on training along practical lines.

Mr. Wilcox of Idaho pointed out that the major emphasis given to 4-H production projects makes it difficult to develop projects and activities in marketing. He suggested that many marketing agencies are sponsoring production projects and that these affect the development of marketing projects. The conclusion from this situation is that more effort should be made with handlers and marketing agencies to stimulate interest in 4-H marketing projects.

Miss Sunnell of Washington pointed out that there are many opportunities for development of work with 4-H in the consumer marketing education field. A

start has been made in this field through tours. In many states commercial concerns are providing opportunities for study of marketing and retailing through tours. Managers of Sears, Roebuck and J. C. Penney stores especially have welcomed these groups and explained the details of merchandising.

Montana reports that effective use is being made of a marketing discussion manual in training work with veterans groups, F.F.A. and 4-H Clubs.

4-H egg quality demonstrations and livestock schools for 4-H members are also an important part of the Montana program. The recommendation was made that a 4-H marketing tour guide manual should be prepared on a regional or national basis. The purpose of such a guide would be to stimulate interest in marketing tours for 4-H members and provide suggestions for different types, methods of organization, etc.

Utah suggests that there is a need for marketing specialists to prepare leaflets and folders on specific marketing problems and methods for use, as teaching aids. Special attention should be given to writing them for the interest or understanding of 4-H boys and girls.

The general conclusion was that there are both a need and an opportunity to expand marketing educational activities and projects with 4-H and young men and women.

#### EXTENSION WORK WITH FARMERS COOPERATIVES

##### Introductory Remarks - E. E. Wittwer, Nevada

In the past, considerable time and attention has been given by extension workers to the organization and development of cooperatives, but in recent years this type of work has decreased considerably, at least this is true in Nevada.

In my opinion, farmers cooperatives offers one of the best avenues, open to extension workers, for instruction in marketing. The objectives and purposes of cooperatives are in many respects identical to those of extension work. Both are concerned with improving the quality of farm products, improving marketing methods, correcting defects and inefficiencies in marketing, reducing the spread between producers and consumers and aiding producers in obtaining a higher price for their products. The solution of marketing problems require group action in most cases. The individual farmer acting alone cannot do much about improving grading, packing, storing, shipping, etc. These activities can best be handled by group action. In fact, group action is required in the solution of practically all marketing problems. Extension workers should therefore concern themselves with developing among farmers an appreciation of the benefits of cooperative action.

Extension work with farmers cooperatives might be divided into two main categories:



1. Work with cooperatives themselves in helping them to become organized on a sound basis and to operate in accordance with good business practices.
2. Working through cooperatives as avenues for reaching individual farmers and farm groups in marketing educational work.

Extension marketing specialists can be of considerable help to cooperatives in an advisory capacity in connection with drawing up by-laws and rules and regulations by which the association will be governed. They can also assist in educational programs, in teaching members the basic principles of cooperation and the benefits to be derived from cooperative action.

One of the chief reasons for the failure of cooperatives is the lack of loyal and enthusiastic support of its members. The manager is often left largely on his own, and may become so involved in trying to maintain volume and meet competition that the basic principles and purposes of the cooperative are forgotten. Continuous educational work is necessary to maintain interest and the loyal support of members. Extension specialists can be of real service to cooperatives in helping to put over these educational programs and maintain a loyal membership.

Since the cooperative is a farmers organization they look to it for information and help in solving many of their problems. As a result the extension worker will find it a good avenue and convenient method of reaching many farmers and getting their interest and cooperation on projects he is sponsoring, that he might otherwise not be able to reach.

It appears to me, therefore, that our discussion for this afternoon on "Extension work with Farmers Cooperatives" is one of considerable importance to extension workers.

#### EXTENSION WORK WITH FARMER COOPERATIVES FROM THE NATIONAL VIEWPOINT

L. R. Paramore

My main purpose is to give you a brief summary of the types of educational work on cooperatives carried on in different States. Since you of the Western States will discuss your own programs, I will try and confine my remarks on State programs to those outside of this region.

Farmers' cooperatives have had a long history of development and growth which in a large measure parallels the development and growth of cooperative extension work. From the very beginning of organized extension work, educational information and assistance have been given to farmers in organizing and conducting cooperative marketing, purchasing and service associations.

### Approaches by States:

There are a number of States that employ full-time specialists to give leadership and assistance in educational work with cooperatives. Such States as Texas, Pennsylvania, Michigan and Virginia are following this plan. In other States, extension economists in marketing spend a considerable share of their time working with cooperatives. Still in other States work with cooperatives is approached on a commodity basis by those specialists carrying on educational programs through the commodity approach. Finally, it should be said that in some instances educational work with cooperatives is rather limited.

In 32 States cooperative councils are organized and functioning. In 13 of these States, the secretary to the State cooperative council is either an extension or an experiment station employee. In those States operating under this type arrangement, it is only natural that the State extension marketing specialist serving as secretary to the council will give a considerable portion of his time to educational work on cooperatives.

In most of the States, the cooperative councils employ either part-time or full-time secretaries. These people work closely with the cooperatives within the individual States concerning both educational, legislative, and public relations problems. The relation between the State councils and the State extension services is of the finest type. In those States with State extension economists serving as cooperative council secretary, there are some things which must be given special consideration. A State extension economist is not in position to carry the banner in connection with legislative and some public relation problems of the cooperatives. While there is this disadvantage to the State extension economist in marketing serving as secretary to a State council, there are advantages which, in the opinion of many of the States, more than offsets this problem.

### Relations with Farm Credit Administration:

In considering educational work with farmers' cooperatives, it is essential that we give recognition to the fine source of research and technical assistance that has been available to the cooperative extension service through the Cooperative Research and Service Division of the Farm Credit Administration. Harold Hedges and his group of men have provided a right arm to extension in working with cooperatives. The research of this group is basic to good educational work and their service as technicians in the field is being used quite freely by a large number of the States.



### Types of Educational Work

There are four types of educational work being done by State extension services with farmers' cooperative organizations. These involve technical assistance and information along the following lines.

1. Organizing new cooperatives.
2. Working with existing cooperatives.
3. Working with boards of directors and management.
4. Giving commodity marketing and purchasing assistance for specific products and supplies.

The first three items covered involve what we may term educational work on functional problems of farmers' cooperatives. In those States having full-time cooperative specialists more attention is given to this functional problem. In States where we have more emphasis placed on commodity marketing and specific cooperative service, more emphasis is placed on improving marketing, purchasing and service efficiency by different subject-matter specialists according to their special interest.

This is a rather brief statement concerning cooperative work carried on by State extension services in the other parts of the country. Most of you, however, are quite familiar with the different types of work that have been mentioned and I believe that this will be sufficient to serve as a basis for discussion of educational work with cooperatives as applied to the problems you have here in the Western States.

## WORKING WITH COOPERATIVES

R. W. Wilcox, Idaho

Idaho agriculture is serviced by an adequate number of cooperatives for the most part. Cooperatives are available, in other words, to almost all Idaho farmers. Adequate numbers and geographic distribution aren't necessarily synonymous with adequate service. Securing adequate service from existing cooperatives presents a different problem than securing cooperative service where the organizations do not yet exist.

The Idaho Extension Program has held rather consistently to a general education program with cooperatives. Perhaps this program is related to a tight personnel situation but in any event auditing and legal assistance have been left to commercial services. Assistance has always been made available to new groups investigating the possibilities of forming cooperatives. This has consisted of discussing cooperative principles with the groups, discussing what could be done through a cooperative and providing sample articles of incorporation and bylaws. If the organization is to be a simple one the group may go ahead and write their own articles and bylaws. If the organization is more complex, Extension suggests names of lawyers who have experience in cooperative law and are in a position to draw up the proper papers.

There is a Cooperative Council in Idaho with which Extension works in setting up statewide and district meetings where cooperative topics are discussed. Topics for discussion in these meetings usually revolve around operating problems of coops. The services of particular cooperative specialists are secured depending on subject matter needed. Their presentations are supplemented by local participants. For example, in April 1952, Extension cooperated with the Council in setting up a statewide meeting dealing with the 1951 Revenue Act as it applied to cooperatives. Lyman S. Hulbert, Cooperative Attorney of Washington, D. C., and George Waas, who specializes in cooperative accounting with FCA came in to take the major load at the meeting. Typical topics discussed in other meetings included public relations, membership relations and financing methods.

### Educational Needs

Operating problems need considerable attention in cooperatives. Financing is one of the big jobs facing cooperatives in our State. Plant and inventory financing runs into large sums today with the competitive situation adjusted to the activities of a strong cooperative. The operating margin is small in most cases and the opportunity to accumulate capital from revolving fund plans is limited.

Member education is a continuing need. Here we should work with those in cooperatives responsible for membership education. The larger the cooperative the greater the job of keeping members informed as to their rights and responsibilities and getting them to recognize and accept these rights and responsibilities.



Management needs education too. I thought the discussion by Carlson at East Lansing at the American Institute of Cooperation this year on functions of management was most timely. Too many boards of directors and managers don't fully understand their job.

Education is needed on the place of agricultural cooperatives in the business scene, how to meet criticism in a constructive manner and other similar topics. Too many cooperatives take a defensive position on these matters and withdraw from the business scene. They need to participate in community activities just as much as any other business. They also need to know something of the use of the cooperative form of business in nonagricultural business and why it is used there.

#### Methods of Meeting Needs

We will by necessity continue to operate on a group basis in working with cooperatives. Operating problems will be handled in statewide and district meetings.

Member education in addition will be tackled through youth and veterans groups. No program of work with individual units is contemplated. We will accept invitations to annual meetings to discuss cooperatives. Individual contacts will be made but stress will be placed on activities and problems which can be handled in group meetings or on a commodity basis rather than on problems peculiar to the particular cooperative.

#### THE EXTENSION PROGRAM FOR COOPERATIVES IN CALIFORNIA

R. C. Rock, California

With one of the main objectives of this conference to exchange ideas and experiences on what we are doing in our respective states and how we are accomplishing our aims, I would like to confine this statement to our experiences with the cooperative program. You are all aware of Extension's responsibilities in the cooperative field and for that reason I will not dwell on our responsibilities and policies. Rather, I would like to treat this subject much as a physician does--first, examine and recognize the patient and then to treat the patient with the methods and tools which we have at our command. In using such an analogy, I do not wish to make the distinction between health and sickness but rather make the practical approach of first recognizing the character of cooperative development in California and then to comment on the methods and tools which we are using.

First, a word about the patient. California has a long history of cooperative endeavor. What may be thought of as the beginning of the cooperative movement in California was the organization of a group of farmers' clubs in 1871 and 1872. Cooperative marketing as we think of it today may be said to have begun in the mid 1880's and early 1900 when the fruit industry began to outgrow the lush eastern markets which had become available when the early transcontinental railroads opened the eastern markets. From this early beginning, cooperative enterprises have successfully developed in many of California's important agricultural industries. A list of such industries would

include poultry, dairying, livestock, grapes, prunes, apricots, peaches, figs, citrus, almonds, and walnuts. Among the well known names of California cooperatives are Sunkist Growers, Inc., Poultry Producers of Central California, Challenge Cream and Butter Association, Sun-Maid, California Prune and Apricot Growers Association, California Almond Growers Exchange, California Walnut Growers Association, Calavo Growers of California, Mutual Orange Distributors, California Fruit Exchange, California Lima Bean Growers Association, California Wool Growers Association, and California Turkey Growers Association, etc.

Throughout the development of cooperatives in California, the Extension Service has attempted to assist cooperatives by developing an educational program to meet the needs of the time. Prior to the enactment of marketing agreement legislation in 1934, much educational work was done by Extension and the University of California in the furtherance of sound cooperative growth. This was the period during which cooperatives made many attempts at market stabilization, orderly marketing and surplus control, and much was learned about the possibilities and limitations of voluntary cooperative associations. With the advent of compulsory industry control programs under the marketing agreement laws, the emphasis of the work done by Extension was shifted to cover this field of work. From these highlights in the history of cooperative development in California, it can be seen that the Extension program has passed through two distinct phases of development and now may be considered to be in a more mature stage.

Now that we have recognized the breadth and scope of cooperative development in California, let's view the present Extension program in the field. First, I am sure that you will agree that it is a field that challenges the time of any Extension person and the most practical problem in the State is one of allocating one's efforts between a cooperative program and other work in the over-all economic and marketing field.

In brief, our program for cooperatives has been carried on in recent years jointly by Mr. George B. Alcorn and Mr. Robert C. Rock in combination with the broad field of economics. The work has mainly fallen into two classes--work with the larger established cooperative enterprises and work with small associations or groups of growers contemplating the formation of cooperative ventures. The greatest emphasis has been placed with the latter group.

In order to give examples of the type of work which has been done with these two groups, I will first consider the program with the larger and well established cooperatives with many years of successful operation behind them. The work with this group is varied. We have found that our greatest contribution has been in the form of membership information, both in regard to industry outlook as well as cooperative aims and operations. Membership participation and knowledge about the association are the keystones for a successful cooperative, and we have found that with the passage of years and the turnover in membership that Extension can do much to keep members informed. This program with members has been carried out mainly at annual meetings with specific associations. We have also worked closely with the Board of Directors of some associations to help evaluate the reorganization of the association as well as to counsel on other policy questions. One of



the problems arising under this type of work is the situation in many established cooperatives known as "one-man" associations. Such cooperatives which have been inspired and led by a few individuals are now finding that these individuals are ready for retirement, which presents the problem of obtaining or training qualified individuals for management.

The second group of cooperatives includes the smaller cooperatives and groups of growers contemplating the formation of a cooperative venture. It is in this field that we have placed most emphasis and feel that we are most effective. The effectiveness of our work along these lines cannot be measured by the number of cooperative associations which are formed with our assistance for we feel that the large number of proposed cooperative enterprises which we discourage are of equal importance. This work of counselling with groups of farmers on the feasibility of cooperative undertakings includes marketing, purchasing, bargaining, as well as special service types of cooperatives.

As an example of this type of work, I would like to mention the situation of Alsike clover growers in the Tululake area of California. On the request of the farm advisor at Tululake, we visited the area and conducted a short survey on the marketing problems connected with Alsike clover. The major marketing problem facing farmers in the area was to maintain and realize the premium price for their high quality seed, which was sold in national markets mingled with lower quality seed. A growers' meeting was held to discuss the possibilities and limitations of cooperative marketing and interest was shown in the formation of a cooperative marketing association. In cooperation with the California Farm Bureau, the economic feasibility of such an enterprise was discussed and as a result the Farm Bureau actively assisted the group to incorporate. Western Seeds, Inc., as the association is called, now has about forty members and marketed close to one-half million pounds of Alsike clover during the last season.

Another similar example is that of a small group of alfalfa seed growers in the Hilmar section of Merced County. At our first meeting with this group we found that the growers in this section were growing a special strain of alfalfa seed of wilt resistant quality and long life and were receiving 10¢ per pound premium on the open market. As this localized seed production could not be certified under the certified seed program, the growers were interested in some other way of protecting buyers from paying premiums for inferior seed. Following the original meeting, discussions have taken place with this group and assistance was given in the incorporation of the association.

These are only two examples of the type of work with small groups of growers in the cooperative field. As can be noted, they are small cooperatives and small compared to the large and established cooperative associations in California, but none the less they offer a program of work that can effectively be met by Extension teaching. A more complete list of projects in this field includes work with dairymen (assisting in the formation of artificial insemination associations), livestock transportation associations, egg bargaining associations, purchasing associations and grain cleaning associations.

## WORK WITH FARM COOPERATIVES IN OREGON

E. F. Coles, Oregon

Oregon State College work with farm cooperatives has proceeded continuously since 1913. What with the perspective born of time, four rather distinct service phases can be made out over the 39 years:

- a) 1913-1919. The somewhat stumbling efforts at organization with the limited know-how and helps. The fallacy prevailed that cooperatives could be built to a fairly uniform pattern. Too much emphasis relatively was placed upon retail food distribution.
- b) 1920-1927. The era of expansion, much of it characterized by high pressure, and by more zeal than business judgement. The agonizing failures of two large concerns did, however, lay the ground work for sounder business institutions to come.
- c) 1928-1934. The period of consolidation, internally as to organic and fiscal structure, externally as to joint action among cooperatives the better to reach distant markets.
- d) 1935- to date. Here came the rise of the supply companies, their joining into regionals for greater purchasing power, and the development of supply departments by many marketing organizations. Marketing regionals of the federated type became established.

The service developed and expanded along business administration lines with the zone of activity meeting that of the legal profession on the one side, and that of public accounting on the other.

Current activities include:

- a) New organizations. Only about six a year. No promotion. Sharp tests of need. Organization and operating plans built upon local views, experience, community customs. Exhaustive financial (and marketing) analyses. Documents prepared to formalize local plans but submitted only subject to review by legal counsel.
- b) Liquidations. Again about six a year. Detailed analyses, mostly financial, to provide basis for decision. Orderly procedure outlined. Employment of legal counsel required.
- c) Reorganizations. Under way all the time, internal, and by merger or purchase. Typically extremely involved, business and financial analyses made, legal counsel and audit reports a condition of service.
- d) Finance. Capital sources, structure and handling. Emphasis on receivables, working capital and rotation of equity interests.



- e) Accounting, as a tool for management, directors and members. Popularization of financial reports. Constant promotion of adequate accounting including a firm service policy on monthly statement and annual professional audits.
- f) Tax status. Never through with that one.
- g) Law. 45 attorneys service Oregon farm cooperatives, the result of many years of firm insistence that every commercial institution needs legal counsel of competence and of acquaintance with operations. Some work is done directly with attorneys, not always with knowledge of the client.
- h) Personnel. Increasing emphasis on getting, training and using employees including managerial. Work on member- and public-relations has been inadequate.
- i) Factionalism. Objective "sounding board" service, perhaps too much.
- j) Agricultural Cooperative Council of Oregon. A highly effective educational and service channel, but the secretarial duties per se draw from educational work needful of doing.
- k) Miscellaneous. Unidentifiable, unpredictable, incomputable, substantial.

#### SUMMARY REPORT - EXTENSION WORK WITH FARMER COOPERATIVES

(L. R. Paramore, R. W. Wilcox, R. C. Rock)

Farmers cooperatives offer one of the best avenues open to extension workers for assisting farmers with their marketing problems. The purposes and objectives of cooperatives are in many respects identical to those of the marketing specialist. Both are concerned with improving the quality of farm products, improving marketing methods, correcting defects, and inefficiencies in marketing, reducing the spread between producers and consumers and aiding producers to obtain higher prices for their products.

Since group action is required in the solution of practically all marketing problems, farmers cooperatives provide a very good channel through which to obtain cooperative action on many problems.

In the opinion of the committee on Extension work with cooperatives, the opportunities and responsibilities of extension workers in connection with cooperatives is very well covered in a recent article by T. K. Cowden. In this article Mr. Cowden first points out some things that are not the responsibility of extension workers. These may be briefly summarized as follows:

1. It is not the responsibility of extension workers to act as propagandist for cooperatives. They do not need that kind of help and it may hurt the cooperative and also the college.

2. It is not the responsibility of college employees to be chore boys for cooperative managers. College staff members should not do jobs that can be done just as well by cooperative employees.

3. It is not the responsibility of extension workers to perform routine services for cooperatives, such as making audits.

Extension workers may, however, assume the following responsibilities in connection with cooperatives:

1. They should provide an educational program pertaining to the place of cooperatives in our society.

2. They should take the initiative in an aggressive, hard-hitting program of education in cooperative principles and practices.

3. Extension workers should have a program to educate the members of the cooperative, so that they, not the hired employees, can run the association.

4. Educational programs on the broad economic problems facing society, should be sponsored so that members can be better informed as to where their particular interests fit into the over-all picture.

5. An aggressive educational program in all phases of agricultural production, should be conducted to promote efficient farming and the various technical skills.

6. The college should provide general business and commodity outlook information.

7. The results of research should be given to cooperatives.

8. Extension workers should assist in analyzing the need for new marketing agencies, and assist them in becoming organized.

9. Trends affecting the operation of cooperatives and other marketing agencies should be analyzed and explained to members, such, for example as the direct marketing of livestock or the use of paper bottles in the distribution of milk.

10. Extension specialists might make business analyses that can be used in advising boards of directors and managers in the operation of their businesses.

11. Colleges should train present and future employees of cooperatives in regular college courses or in short courses.

12. Extension workers should not hesitate to tell the management of cooperatives when, in their judgment, they think the cooperative is wrong.



In general, emphasis should be placed upon providing the management of cooperatives with information which they need to cope with the many problems they face in running their business.

## OUTLINE OF MARKETING INFORMATION WORK IN MONTANA

H. R. Stucky

Farmers and some processors and handlers have received help through extension programs on market prices and outlook, also on ways to improve handling, buying, and merchandising. The specific activities sponsored in the past year as media for disseminating this information are as follows:

### Schools

1. Livestock marketing schools to improve producers' bargaining power through a better understanding of grades, prices, alternative outlets, etc.
  - a. Attendance - F.F.A., 4-H, Veterans, County Agents.
2. Dairy marketing school to improve appreciation for dairy products and give instruction on care, processing, and handling that result in improved products.
  - a. Attendance - producers, plant men, County Agents.
3. Grain marketing schools - to improve producers' knowledge of quality and value and present information on preventing contamination.
  - a. Attendance - Producers, County Agents, and elevator operators.

### Demonstrations in above schools and other meetings

1. Ewe grading demonstration to teach proper selection.
2. Hog carcasses - meat vs. lard type to direct production to profitable types.
3. Quality egg demonstration to improve farm handling.
4. Milk quality and value of milk in diet compared to other products in price.

### Publications prepared to disseminate information

1. Looking ahead folder - printed, periodic, prepared by Extension Agricultural Economics staff.
2. Marketing and outlook letter - periodic, less wide distribution.
3. Your marketing problems - discussion guide, useful for County Agents or discussion group leaders to conduct an educational meeting on marketing.

### Personal contacts and tours

1. Auction Market
2. Public Market
3. Packing Plants
4. Cooperatives
5. Producers
6. Feed Yards
7. Retail Store
8. Milk Processing Plants
9. "Pest Buys" of Fruits and Vegetables

### General

1. Radio - used intermittently
2. Newspaper - used frequently

## MARKET INFORMATION WORK IN UTAH

Morris H. Taylor

What is the job of the Extension Service? Its purpose, as defined by the Smith-Lever Act, is "to aid in diffusing among the people of the U. S. useful and practical information on subjects relating to agriculture and home economics, and to encourage the application of the same." Now let us keep this in mind and apply it as a test on marketing information work.

Along with this we should also consider a statement of our RMA Committee issued in April 1948 as follows: "Extension Service projects should deal with significant marketing problems and should be designed to obtain definite results."

It is important to establish just what is meant by market information. I like F. L. Thomsen's definition as follows: "Includes all facts and their interpretation bearing on the present and prospective market value of commodities."

If we accept this definition, then we will be doing four things; namely, (1) assembling and (2) analyzing information, (3) presenting facts, and (4) interpreting them. Again it would seem desirable to set up some distinction in types of market information. The first is often referred to as market news and the second, outlook, the third marketing practices. The first will deal largely with current situations or immediate future, while outlook connotes longer-time trends. Marketing practices refer to all the physical processes of buying, selling, and moving stock in marketing.

Purposes in preparing and disseminating market information:

1. Increase the knowledge of farmers and market representatives.
2. Change the attitude of the individual.



3. Change the behavior of the individual.
4. Influence thinking and action of groups.

Need for market information program through extension:

1. Too few people had access to needed information and many who did could not interpret the information.
2. Government reports tended toward involved statistical presentation.
3. Frequently, not all facts were presented.
4. Definite bias appeared in much information being distributed.
5. Interpretations seemed hedged excessively, few analysts made decisive statements.

Utah's Information Program:

1. Information is assembled from scanning, reading, or studying (as they deserve) literature from many sources public and private.
2. Information is filed by subject matter and significant parts are developed for further dissemination within the State.
3. Several significant statistical series are tabulated and plotted currently to aid in the recognition and interpretation of market phenomena.
4. A weekly one-page economic news letter is prepared primarily by our group in extension economics and marketing. This letter called "Let's Look Ahead" is distributed through county agents to 1500 key individuals within the counties. Articles are adapted for daily and weekly newspapers from this material. Several county agents also use these releases for their weekly radio programs or news columns. Some copies are mailed directly from our office to market agencies, F.F.A. supervisors, State Department of Agriculture supervisors and others. Acceptance has been good and redistribution of information quite satisfactory. Emphasis has been placed on brevity, on broad subject matter, on timely information dissemination and upon preparation in a readable style. We've learned that this is quite an undertaking.
5. Outlook meetings are held in most counties at county agents' requests--use outlook chart slides and discussion questionnaire.
6. Tours to market areas both in state and out of state have been used very successfully to disseminate market information.
7. Schools--feeder schools, a wool school, and a poultry school fostered by county agents and industry groups--have been used successfully to conduct demonstration, show slides on marketing subjects and review various marketing problems. These schools are conducted on a regional basis and are intermittent in nature.

8. Union Pacific Agricultural Car last year highlighted livestock conservation. Extension livestock marketing specialists participated in every community where the program was held.

9. Publications prepared include one on livestock conservation and one on weighing farm products. These fact sheets are brief, illustrated and attempt to answer a specific problem raised by a farmer.

10. Radio and newspaper are both used intermittently by specialists concerned.

Future Needs--Present program still falls short of meeting needs of people in Utah.

Facts needed to enable us to do a more effective job:

1. Contract prices (current).
2. Prices of livestock at various auctions (broaden coverage).
3. Prices of dairy cows (current) particularly in California.
4. How to describe changing price situations that seem to have little or no relationship to known facts.
5. How broad a mailing list should the Extension Service maintain? What proportion of farmers to cover?
6. Develop more keys or techniques for appraisal of situation--chart devices, etc.
7. Broader system of reporting on prices and situation of all products in Utah. (Now working with PMA, Livestock Branch to get more correspondents in Utah.) Still many market agencies have "dope" long ahead of producers.
8. Marketing costs and shrinkage--market weighing condition in relation to price as well as grade.
9. Variation in market acceptance--sorting practices on lambs.
10. Sources of information--reliability. Is it a representative sample?



## EXAMPLES OF HOW OTHER STATES DO MARKETING INFORMATION WORK

R. C. Scott

The following is an outline of some points of interest regarding marketing information programs in Pennsylvania, Indiana, and Washington.

### A. Pennsylvania (RMA Project)

1. Subject matter is largely on a commodity basis, with particular emphasis on poultry, eggs, fruits, and vegetables. There is close cooperation between the commodity marketing specialists and the project leader.
2. Information distributed to farmers and marketing agencies through:
  - a. Extension News Editor - news releases.
  - b. Extension Radio Editor - radio releases
  - c. County Agents - news releases, Pennsylvania Farm Economics, television, special radio programs.
  - d. Trade journals, house organs, magazines - feature articles and short items.
  - e. Correspondence courses - marketing course.
3. Examples of activities during the past year:
  - a. News releases to newspapers, magazines, and trade journals.
  - b. Monthly radio recording, "Farm Business Round-up," sent to 29 counties for use and 34 radio stations.
  - c. "Poultry Market Digest" - 3400 copies circulated in 17 counties.
  - d. Mimeographed circular, "Farm Prices and Consumer Incomes," sent to all counties and 500 farmers.
  - e. Set of slides "Are Food Prices Too High," made available to county workers.
  - f. Exhibit "Farmer's Share of the Consumer's Dollar," prepared for Allegheny County Fair.
  - g. Leaflet "Inflation, Its Cause and Control," made available to all county workers.
  - h. Bibliography of films available on subject of economics in marketing.

i. Compiled economic and marketing data for use by trade organizations.

j. An analysis of the tobacco marketing situation.

B. Washington (RMA Project)

1. Prepares a monthly printed circular "Keeping up on the Farm Outlook." About 10,000 copies of each issue are printed and distributed to producers, farm organization leaders, handlers, bankers, federal and state agency representatives, etc. Stresses both current and longtime outlook. These go out from college mailing room. County agents help set up the lists.
2. Monthly Outlook for Washington - special to County Extension agents. A mimeographed report of several pages goes further in interpretation than printed circular.
3. News and radio releases. About one a week of each goes to large daily papers and radio stations. Articles from circular are also reprinted in weekly papers and farm magazines.
4. Scanning the markets - a weekly radio talk (15 minutes) each Monday Noon over local college radio station (Pullman). Discusses current marketing information and markets for Washington farm products. Goes to a limited number of farm organization meetings.

C. Indiana (RMA Project)

1. Prepared monthly publication "Economic and Marketing Information for Indiana Farmers." It is estimated that this publication is read by between 75,000 and 100,000 people.
2. This monthly publication is supplemented by a series of outlook meetings in fall and at irregular intervals during the remainder of the year (165 meetings attended by 22,210 people during fiscal year 1952).
3. Prepares a "Produce Supply Report" during spring, summer and fall months with approximately 650 copies of each report being published. This report is prepared to give buyers who purchase produce in Indiana an opportunity to locate and anticipate the local supply. A companion report, prepared weekly throughout the year gives the consuming public best buys on fruits and vegetables weekly.

D. Other States

Marketing information work in many of the states is prepared and distributed by the Commodity Marketing Specialist. While much emphasis is placed on outlook work, attention is given to the movement of crops during the season, storage holdings, etc.



## Marketing Information Summary

Morris H. Taylor, R. C. Rock, F. F. Coles, H. R. Stucky, Chairman

In order to limit the scope of "Doing Market Information Work" the Report Committee defines market information as including all facts and their interpretation bearing on the present and prospective market price of commodities.

Market information is presented as "market news," as "outlook" information, and as information on marketing methods and practices.

Market news information is disseminated as current news and as market reviews.

Outlook data necessitates assembling raw data, and using this information along with data from various sources to determine trends and from these trends project price movements.

Marketing methods and practices are determined from a study of literature and from a study of conditions in the marketing channel. Presentation of findings is usually best accomplished on tours and in demonstrations.

### Problem:

Representatives from most of the Western States felt a decided need for more market information. Special mention was made of lack of information on market prices for significant movements, lack of analytical statements in market reports and general lack of published materials on marketing methods and practices.

Most states rely on FMA market news division and the crop estimates section of BAE for current price information and prospective production data. Many commented that the volume of marketings reported at terminal markets for livestock is entirely too small in many cases to represent sales at auctions and at country points. Information on many crops such as seed production and prices was entirely inadequate. Oregon was distinctive in this regard in that they gather and report daily market price data. Weekly or periodic market reviews are prepared in most States to aid producers to understand movements and predict price trends on the products he produces. Most States publish an economic news letter or outlook circular disseminating this information. On the other hand there is a meagre amount of published information on marketing methods and practices.

The following activities were suggested for follow-up:

1. Encourage and help FMA to set up price reporting on country and auction movements of livestock.
2. Aid BAE to improve coverage on production prospects for commodities now poorly covered such as grass and legume seeds.
3. Cooperate in publishing needed materials on marketing practices and methods.

## TEACHING AIDS IN MARKETING WORK

G. Alvin Carpenter - Chairman

### (Outline of Discussion)

Can we sell Extension work in the field as the commercial man sells his product? This is our challenge.

Our teaching devices should be carefully chosen and choice should be governed by what we are attempting to do.

Choice of teaching device depends upon:

1. Educational objective.
  - a. Teach a skill or change an attitude.
  - b. Get people to act or just give them information (sell 'em or just tell 'em).
2. What device will get and build the interest of the group?
3. What device will aid most in bringing a clear understanding of principles involved (get learner active if learning is to take place).
4. What method will insure development of ability needed?

As teachers we must:

1. Develop our understanding of human behavior.
2. Increase our skills with the proper tools.
3. Have our teaching objectives well in mind.

Route of effective teaching:

1. Capture their interest (stories or materials to manipulate).
2. Keep them interested (stories, demonstrations, participation).
3. Be sure they understand (use simple words and full explanations).
4. Help them remember.
  - Use promptly
  - Give a good summary
  - Give reference material to take home

How to stir people to action:

1. Let them talk to "get it off their chests".



2. Get them ready to learn.
3. Give them the facts.
4. Get them involved in making a decision. Most people tend to agree with a suggestion of a neighbor or friend, but they are more apt to act if decision making has been accomplished in this way.

### Use of Visual Aids in Consumer Education

Ruth P. Tippetts  
Beatrice S. Tanielian

#### The Problem:

The prospective consumer has many values to weigh in shopping for eggs. Differences in size, grade, packaging, storage, and use are represented among the offerings in a typical grocery store.

#### The Objective:

To give Mrs. Consumer the essential facts that will make her an intelligent buyer of eggs.

#### Visual Aids Prepared and Used in Demonstration:

1. Flannel graph with lettered placards showing elements to consider in determining relative value. (This is more convenient than a blackboard, less time consuming, and easier to manipulate.)
2. Grocery display including the following items:
  - a. Display rack (used for many demonstrations).
  - b. Price tags (also used and reused).
  - c. Samples of all different offerings representing differences in value including:
    - (1) Graded cartons of different sizes and grades.
    - (2) Producers brands.
    - (3) Distributors brands.
    - (4) Ungraded sacks.
    - (5) Ranch eggs
3. USDA egg grade charts (available from EHN, USDA).

4. Egg Buyers Guide, (a nomograph available from Extension Service, USDA.
5. Eggs representing extremes in quality to break in a dish to "show" differences explained in demonstration.

#### The Demonstration:

The relative merit of each sales offering was given in terms of its known (and suspected) components of value such as size, quality, etc.

### Application of Teaching Aids to a Marketing Problem

Leon Michaelson

#### Identifying the problem:

Sixty percent of cattle sold were delivered and weighed on country scales. One out of every 12 scales tested at public markets was out 10% or more. These scales are tested and corrected every 2 to 6 months. About 2/3 of large capacity livestock scales in Utah were not tested in 1951. Scales at some auctions fail to meet minimum standards set up by the Supervisor of Weights and Measures. Many cases of loss (or suspected loss,) from weighing on inaccurate country scales or from scale manipulation by buyers come to our attention.

#### The Problem:

Teach producers some of the fundamentals of scales and weighing so they may protect their interests more adequately on country sales.

#### Diversified Extension Program completed:

1. Facts collected from supervisor of weights and measures, private scale companies, PSA officials and many other sources.
2. From these materials we determined (1) Several quick checks to make on a scale to see if weighing accuracy is above suspicion, (2) How scales should be operated, and (3) Ways in which weights might be distorted.
3. From these lists we determined what pictures were needed to put this story on slides and a description was written of each situation.
4. Pictures were taken and a slide syllabus completed so that county agents might use the materials directly in an educational meeting. Some slides were prepared from copying typed pages, small charts, and graphs, and small pictures. These contribute greatly to a slide series.
5. A fact sheet was written and published to provide the producer with a "take home" reminder.



6. Two scale models were completed, one of the platform, the other of a scale beam. These were completed for use in giving demonstrations in a meeting. The beam was rigged so that friction could be artificially created to demonstrate that feature.

7. A procedure for demonstrating the same features on a livestock tour using an actual scale was prepared.

Summary:

Our visual aids for this problem include then:

1. A set of slides and syllabus for use by county agents.
2. A fact sheet for general distribution.
3. Two scale models for demonstrations.
4. Procedures for demonstration on an actual scale.

Summary Report  
Teaching Aids Used in Marketing Work

G. Alvin Carpenter - Chairman  
Ruth Tippetts, Beatrice Tanislian, Leon Michaelson

Teaching is the setting of situations so as to get behavior that will result in desired changes. We must get the learner to act as we desire to have him act if our teaching is to be effective. "If the learner has not learned what the teacher intended he should learn the teacher has not taught."

As teachers we must:

1. Develop our understanding of human behavior.
2. Increase our skill with the proper teaching tools.
3. Have clearly in mind the product we are trying to produce in terms of changed behavior.

"Not what we unload, but what the learner takes away," is the real test.

Teaching is a production process. We must produce changes in: things known; things felt; things done.

Economics and marketing are difficult subjects to teach because we are trying to sell the consumer something very few want or can understand.

To aid in our work we should choose the best teaching devices possible. The particular teaching device or method chosen should be governed by what we are trying to do--what is our objective?

This objective may be to teach a skill or to change an attitude, to get people to think, to get them to act, or perhaps simply to give them information.

The following are some of the teaching aids that may be used:

1. Demonstration - using various types of visual aids.
2. Illustrations.
3. Lecture.
4. Discussion.
5. Tours.

The device or teaching aid that should be used will depend upon what we want to do, in what sort of activity we want the learner to participate.

Demonstrations were given of the use of visual aids in connection with consumer education in the marketing of eggs. It was shown that the consumer is often confused and at a loss to know the best buy because of differences in price, grade, size, and quality of a given product.

A demonstration was also given by the use of visual aids concerning the importance of close supervision and frequent testing of scales on which livestock are weighed in moving to market. It was shown why scales get out of balance and how they should be checked. Visual aids for use by county agents, specialists, and for general distribution to attack this problem were discussed and demonstrated.

For effective teaching we must:

1. Capture the interest of our listeners.
2. Keep them interested through the use of effective teaching devices.
3. Be sure they understand - use simple words and terms with which they are familiar.
4. Help them to remember, by means of:
  - a. A good summary
  - b. Getting them to use the information as promptly as possible.
  - c. Giving them printed matter for reference reading.



## REPORT OF COMMITTEE ON CONSUMER EDUCATION IN FOOD MARKETING

### 1. Consumer Marketing Programs--Gale A. Ueland

In order to set the stage for our discussion of consumer education in food marketing, we need to consider the definition of marketing. One author says it is the "group of Activities that are involved in the flow of goods and services from the point of production to the point of consumption." I only refer to this to remind us of the various people we have to work with, to help us all see the interrelationship between them and to continue our emphasis on working together to reach our common objective in marketing--more efficient marketing and our common objective in extension work, better family living.

We are concerned with producers, retailers, wholesalers, and consumers. Duncan and Irwin--"Marketing, Principles, and Methods", say that any sound marketing plan begins with the consumer, because it is in satisfying the wants of the consumer that the marketer finds the justification for his existence. Therefore, it is important to build a satisfied clientele by helping consumers to be intelligent buyers. For all practical purposes, it is pointed out, the consumer is king; and that being so, he rules the destiny of producers, retailers, and wholesalers and in order that he be a just and intelligent ruler, he needs information and education.

Now considered from the standpoint of an overall extension program, we can also see the importance of helping food shoppers become more skilled. We are all working toward improved family living. Food can determine both the health and economic well-being of families. Food shopping is a highly complex job with many changing aspects. This makes good food buymanship difficult for many people. We used to have about 350 items in a grocery store 30 years ago and today we have from 4,000 to 5,000 in our large super markets. We can get food fresh, frozen, canned or dried. We can buy large or small quantities, packaged or in bulk and countless other possible choices. Educational assistance for food shoppers can make the job less difficult.

Our food shoppers want help too. A recent survey conducted by the Advertising Research Foundation, of the Association of National Advertisers, showed the attention given by women to food columns. Of the 5,000 women readers of the New York Times, 75% read the food page and of that group, 80% listed marketing information second in order of interest. Recipes were the only thing that preceded it.

The greatest number of people to be reached live in urban areas where extension service work has not operated to the extent that it has with rural people. According to the 1950 census, the Nation's population is now more than 150 million people, of whom only about 16 percent live on farms. It is in the densely populated areas that special education programs for consumers are needed. Even in rural areas the trend to specialization and away from self-sufficient operation has meant more people buying more of their food supply in the retail stores instead of

raising it on the farm. Farm and home account books show that farm families bought two-thirds of their food supply in 1950.

All food shoppers have the same problem. With the money, time, and energy they have they want to buy satisfaction for their families. Our problem is how to reach these various groups with the most helpful marketing information on how to spend their food dollars and at the same time promote best utilization of agricultural products.

It is with these points in mind that the Consumer Education Program in Food Marketing is being developed. It is interesting to note that in the original wording of the Agriculture Research and Marketing Act particular emphasis was given to the value of this program in case of surplus supplies but as the program has developed and now in periods when surpluses are not our major concern it is evident that this program has a great deal to offer when supplies are short or relatively normal as well.

At the present time we have 24 states and Puerto Rico which have consumer education programs set up under AMA funds. Included in these are four regional projects. The regional projects serve market areas involving two or more states and are desirable in some places because marketing does not observe State boundaries.

Consumer education programs have proven to be effective. Success depends on adequately meeting the major essentials in such a program.

II. Major essentials of Consumer Education programs of the Agricultural Extension Service--panel discussion - Director Frischknecht, Chairman, Claribel Nye, Ruth Tippetts, Gale Heland, Doris Urquhart, Agness Sunnell, Beatrice Tanelien, Thelma Huber

#### A. Purpose or Objective

1. To provide a service in food marketing information from the land-grant college not previously available to the people of the State. This educational program is intended to help families:
  - (a) buy food wisely
  - (b) handle and care for foods properly
  - (c) use foods satisfactorily
2. To develop better understanding between farmers, merchants, processors and consumers, and thereby improve and strengthen relationships.

(Note) Consideration must be given to the areas to be served; to the needs of the people concerned, and to the availability of such resources as personnel, funds, and materials.



## B. Specialists

The specialists in this field must have broad training and experience in Home Economics. It is also desirable that they have training and experience in Agricultural Economics and Marketing, writing, radio broadcasting, and public speaking. There is need of skill in teaching and in dealing with people.

## C. Teamwork

1. The success of consumer education programs depends upon the participation and cooperation of faculty members of the Extension Service, College proper, and the Experiment Station.
2. Equally important is the assistance of (a) public agencies; (b) commercial organizations and private groups; and (c) understanding and cooperation by all the people.

## D. Information

The specialist in Consumer Education has a threefold responsibility-- (1) to gather, (2) to interpret, and (3) to disseminate timely and reliable food marketing information.

## E. Communication

1. Food shoppers in urban areas can be reached and influenced best through such mass media as:
  - (a) Radio
  - (b) Newspaper
  - (c) Circulars or leaflets
  - (d) Exhibits
  - (e) Television
  - (f) Posters

(Note) Other successful methods and techniques used by Extension, are desirable but their use is limited by small staff and insufficient funds.

2. Mass media is also essential to the success of state-wide or Consumer educational programs carried on in the counties but in-service training schools for extension agents and organization of county food marketing committees are required to localize the information and develop contact and obtain cooperation of the people in these areas.

## F. Evaluation

1. Evaluation should be included in Consumer Education plans of work.

2. -Evaluation is a continuous process

3. Evaluation is needed to:

- (a) Measure the degree or extent to which objectives and goals have been attained.
- (b) Determine the value or effectiveness of different methods used.
- (c) Discover problems
- (d) Determine direction and trends

4. Programs in Consumer Education can be evaluated by the use of:

- (a) Surveys
- (b) Questionnaires
- (c) Personal interview
- (d) Observations
- (e) Requests for information
- (f) Monthly and annual reports
- (g) Maps to determine the coverage of the program

III. What is ahead:

A. The potential or number of people to be reached through Consumer Education is greater than it is for any other activity of the Extension Service.

F. Additional research studies are needed in Consumer Education.

#### Methods of Evaluating Programs and a Means of Improving Our Programs and Reporting Progress

Claribel Nye - California

We begin with the recognition of our obligation to study the value or worth of any program involving the use of public funds and to judge its effectiveness in terms of what it was set up to do. We also know that this is not easy in a field of education which is our business.

The first question is this, "Is evaluation of these marketing programs possible and practicable?" One of the agricultural economists who heads a consumer education project in marketing writes, "We are continually faced with the problem of evaluation. Much of our work is of such a nature that evaluation is impossible. There are certain 'straws in the wind', at which we grasp in an effort to get some objective measure of accomplishment."

We all know how difficult it has been through the years to get adequate records of extension work and to develop procedures for evaluating progress although evidences of its value have been all about us. The leadership and



creative work done by the division of field studies and training in the area of reporting and evaluating have been and are of great help.

"Straws in the wind", are not to be considered unimportant. In studying the value of a program, what are some of them? First perhaps is the judgment or opinion of other staff members--supervisors, specialists, county staff, all who for one reason or another know the program. Their judgment as to its soundness, emphasis, scope and desirable trends constitute a valuable resource for evaluation.

The statements that come our way from the professional and business people need to be kept where they will not be forgotten. The written testimonial that is not part of a formal survey often is particularly clear and helpful in pointing up strengths and weaknesses. In at least two regional projects in food marketing education, statements have been brought together and printed. These are by newspapers, public health and welfare agencies, home economists in business, market men, producers, leaders of groups carrying on educational programs and home makers as food buyers. It will be interesting to learn if material in this form proves helpful and effective.

Extension has always kept such records as numbers of meetings, and attendance, numbers of bulletins and circulars prepared and distributed. In the relatively new projects on marketing, financed by different funds and still very much in a developmental stage, such comparative figures certainly are important "straws in the wind", and need to be as complete and accurate as possible. Do they show increasing volume--little, a reasonable amount, or a great increase? Do they give any indication as to the best use of time?

Another "straw in the wind" is the number and kind of requests for more specialized help. Two examples in the consumer education project. The publication "passover meals" which aimed to provide marketing and food value information for people who observe the food restrictions of a religious event each year brought thousands of requests. The other is a brief food marketing information circular that goes regularly to several hundred small institutions which buy and prepare food in quantity. Both represent requests made by groups after the project had demonstrated its competency and resourcefulness. Requests from religious groups, from newcomers, from directors of radio or television, from groups asking for leadership training may well dismay staff members assigned to the project but requests for specialized help surely indicate that the program is demonstrating its worth and value. They are wonderfully heartening "straws in the wind" and must be impressive to those concerned with policy making and allocation of funds for a project.

Official family evaluation of a project bring up such questions as this, "Is the volume achieved reasonable considering personnel and resources invested"? To expect volume out of line with staff and facilities is sometimes a mistake we extension people make in our enthusiasm and our awareness of interests and needs of people. Often the mistake is then the objective and those set up in the beginning. What is a reasonable load for one or two

persons? Incidentally what should be the minimum staff, facilities, and budget assigned to a marketing project, if we expect it to be effective? After visiting a number of consumer education in food marketing projects more than two years ago, it seemed to me that it was three people in this project--an agricultural economist, a home economist and a full time secretary. However, we do see here in Ogden and Salt Lake and in Seattle developing programs having public approval and only one home economist giving full time.

Does another approach to evaluation provide a "straw in the wind"? This is the degree to which the content of the educational program is balanced. Someone has broken down the basis for a balanced program in the consumer food marketing educational project in this way:

1. Seasonal and timely information on foods in relation to marketing.
2. Information on good food buys based on the "food dollar".
3. Information on good food buys based on the "nutrition dollar".
4. Information on selection and quality.
5. Information on menu planning and food preparation.

Doubtless there are as many ways of expressing a balanced program as there are projects. Can increasing skill in achieving a balanced program be measured and is it worthwhile?

The project might be evaluated further from still another approach. This is the number of people who continuously and enthusiastically are helping to plan and to make the program increasingly helpful. Two committees seem to be obvious. One--a staff advisory committee; the second, may be particularly important--this is a committee of homemakers. It need not consist of representatives of organizations. Perhaps better not. They already have committed their first allegiance--time and interest--to their respective organizations.

If we assume that the program is made at the college and an advisory committee merely rubber stamps it--why have a committee. It soon peters out, but if membership carries with it responsibility for planning and even for organization and teaching, the members see opportunity for initiative in a leadership role. This attracts able public spirited homemakers. What they do and its relationship to the development and expansion of the program can be evaluated. In this area I have been thinking of urban or other local projects --not those that are state-wide.

What we most need to know, of course, is what people do about the facts, the interpretations, applications and suggestions given through various media and devices in the marketing projects. The program is educational. If there is no change in attitude, knowledge or skill there has been no education. Limitations of funds and personnel make impossible comprehensive evaluation studies, but carefully planned reliable evaluation of action taken by consumers at one point of time, on one food marketing fact, would seem practicable and desirable. How frequently this could be done depends upon resources, of course.



We do not use very widely in the extension service the so-called "pencil and paper" devices used in many other fields of education. These aim to get attitudes and knowledges before and after educational experiences. In simple brief forms, they could add valuable and significant data on marketing projects.

The careful evaluation study of a small segment of the program at a given time plus data of the so-called "pencil and paper" variety, used where they seem effective or suitable, plus figures on activities such as extension has always collected for the annual report, plus a picture of increasing requests for specialized services, plus the increase in participation by leaders would seem to constitute a kind of goal for evaluation.

We should not minimize the value of the "informal evaluation" day by day available through office calls, home visits, letters, meetings and even casual conversation. Seeing in them the stuff of evaluation makes them rich resources for the study of the value of a project.

The greatest usefulness of evaluation can be to the person who makes it. This also is a heartening reminder.

#### Evaluation - Summary and Conclusion

Thelma Huber

Claribel Nye

Morris H. Taylor

#### Why Evaluate:

1. To measure degree of attainment of objectives.
2. To point up changes that need to be made in programs.
3. To create recognition of problems.
4. To test value of program to people in terms of effect on thinking attitude, and skills.
5. To maximize effort budget-wise.

#### How to Evaluate:

1. Use a few key indicators rather than appraisal in detail.
2. Establish bench marks based on specific objectives and goals.
3. Tools named included such things as surveys, check sheets, questionnaires, unsolicited testimonials, and tabulation of specific requests.
4. Appraisals that measure specific attainment on a specific problem are more effective for use on budgets than general overall summaries.

### When to Evaluate:

1. All the time--In setting up measurable goals in the plan of work, in checking progress on attaining goal through the year, and in reporting results in the annual reports in terms of attainment of established goals.

## LIVESTOCK MARKETING WORK IN COLORADO

Harry H. Smith

I suppose the problem of trying to teach the producer to do a better job of marketing livestock is not much different than the problem which existed when specialists began trying to give the producers new and better methods of feeding and breeding. That there is much opposition to change from the great army of middle men who exist between the producer and consumer there can be no question. It is also recognized that many of these middle men perform useful and necessary functions. That there are middle men who play the roll of the speculator and are able to exist solely because of the egotism of the producer who overestimates his ability as a salesman. There are many producers who sell livestock one day a year and think they can match wits with the man who for many years has been buying cattle every day of the year.

The problem is to teach producers to do a better job of marketing. We can kid ourselves, but we haven't made much head way. The important thing is that we have started and have made some headway. We had better make haste slowly and not get ourselves fouled up in our own rope. We cannot expect to change over night the ideas and ways of the greatest group of rugged individualists we have left in the world today. Our problem is to change their trend of thought so that they will begin to give some thought and study to this question of marketing. They have gone on for years taking the present system of marketing for granted and have given little thought of bettering the system. We must in some way encourage them to want a change.

### Some Methods Which are Being Used

Marketing Schools - Last year four marketing schools were held in Colorado. We try to have as many phases of the livestock marketing industry represented as possible; producers, feeders, commission men, packers, truckers, railroad men, and any others who might have something to contribute. We feel that it is necessary to give the producer something about all phases of marketing livestock. We don't want the folks who come to these meetings to think we are favoring anyone or holding anything back. We also want all phases of the industry to feel that they are getting a fair break. I don't want anyone to feel that he or his system is being condemned. Through these schools it is hoped that producers will come to realize that improvement in the marketing setup is possible and that



some careful study is needed. In the past, the feeling has been that there was not much that they could do about it. Working as individuals that is true, but if a large part of the industry can be brought to make a concerted effort, there is surely much which can be done about it toward improving the whole marketing scheme.

Marketing Tours - During the past three years weekly marketing tours during winter months have been held at the Denver market. Central markets are a very important system of marketing. Also, it is one of the oldest systems of livestock marketing here in the U. S. Yet it greatly surprises one at how little the average rancher or feeder knows about the operations of the machinery in a central market.

If anyone intends to work for any changes and improvements in marketing it is surely essential that they have a clear understanding of present systems. Tours to a central market are intended to give them a better understanding of how a central market operates, what its advantages and disadvantages are.

Grading Demonstrations - Last year 13 cattle grading demonstrations were held in nine counties in Colorado with a total attendance of 527. The purpose of these cattle grading demonstrations is:

1. To teach farmers the grades of livestock so they can do a better job of presenting what they have to sell.
2. Teach an understanding of grades so they can understand market reports and what their stock would be worth on the market.
3. The more the producer knows about grades, the better his bargaining ability when he has livestock to sell.

There is a difference of opinion as to whether or not the producer should sell his own livestock or hire an experienced salesman to sell them for him. The fact remains, however, that a large part of the feeder livestock produced in the western states is sold by the man who produced them without benefit of advice from an experienced salesman. There is no doubt that they will continue to act as their own salesmen no matter how much money they may lose by doing it, but the more knowledge a man has regarding their grade and value, the better position he is in to get their full value.

Cooperative Sales - The organization of cooperative sales of one kind or another has been somewhat of a disappointment to me.

The organization of cooperative auction sales for feeder cattle has been only partially successful. This is due to a number of factors including lack of experience in management, plus the fact that the consignors seemed to expect a premium above the market for their cattle; also, there are reports that buyers went into the territory the week before the sale and offered above market price for cattle which were consigned, but they were not there on sale day to buy them at the price they had offered. There are two communities in the state where there are large numbers of

farm flocks. The owners have not been satisfied with the way the lambs have sold. The farming of a cooperative marketing association has been suggested, but the suggestion has not met with much favor.

Meat - In the past, producers have been prone to feel that their responsibility ended when the animal walked off the scale. They forget that what happens to their crop of steers between the time they are sold and the time they reach the consumer's table may very greatly affect the returns which a producer may get from the next crop of cattle which he sends to market. There are a lot of steps the animals pass through from producer to consumer and he ought to be interested in every one of them. Because every marketing step between the producer and consumer affects the price which the producer will get, so the producer should be interested in seeing that the consumer is satisfied with the product which he gets.

There are a lot of problems in the merchandising of meat. The livestock producer would do well to interest himself in these problems. At least he should be interested enough to see that funds are provided for research institutions so that they can study them with a view of finding solutions for them. Yet there are numerous instances when producers have vigorously opposed the granting of such funds.

Due to the changes in the grading of meat which have come into practice in the last year or two, a considerable amount of confusion has resulted in the retail trade.

Work needs to be done with women's organizations to give them as much information as possible about meat. They need to know more about what to look for in buying meat. I did some of this work and it has been well received. This is the one big place where the marketing specialists can do some work in furthering good relationships between the consumer and producer. It is, of course, necessary for the specialist to know a good deal about meat in order to do this work.

One thing certain in the marketing of livestock, we do not lack for problems, but we should not be discouraged, for with diligence and the proper attitude, solutions to many of them will soon be found.

## LIVESTOCK MARKETING PROBLEMS AND PROGRAMS IN OREGON

Edward F. Coles

Livestock marketing in Oregon is very involved. Seasonal surplus production of some classes and species of livestock and deficit production of other kinds, together with a human population increase, presents a rapidly changing picture in the industry from both the interstate and intrastate standpoints.

Animals and meat are moved in several directions. Many times animals are sold at various markets in the state and some times outside the state



before reaching their final destination, be it a feedlot or a slaughter plant. Animals move outside the state to feedlots or for immediate slaughter while at the same time meat shipments are coming into the state.

Producers naturally attempt to reach the most favorable market. It is difficult to know which market or which method of marketing will yield the greatest net returns. Whether to sell through a commission salesman, at a terminal market, at an auction, or on the farm are decisions to be reached. Price fluctuations between seasons, species, classes, and weights, are additional complicating problems facing the producer.

With time the demand for livestock changes. For instance, light yearlings and weaner calves now predominate on western markets in the place of 2-year old and older steers of a few years ago. Smaller cuts of meat demanded by consumers have led to the marketing of younger livestock.

Producers must know more of the market grades and value of the animals which they are offering for sale. A large proportion of Oregon meat animals are sold in bulk lots without being sorted. Many new producers and diversified producers do not have sufficient knowledge of grade and weights to buy and sell wisely. This is particularly a problem when they buy or sell on a per head basis.

Producers should be better informed on the relationship between grades of live animals and grades of meat. They particularly need more information on yield and dress out value.

Transportation is a problem. Trucks now move the greater share of the livestock within the state. Rising truck and rail rates confuse many producers. It is most difficult to determine the best method of shipment because of lack of information on shrinkage, time, and expense involved between various alternative methods and markets. Shrink and "fill" continue to be controversial questions. Basic factors in making studies on these problems should be standardized.

Producers and shippers need more information on the physical handling of livestock shipments in order to reduce to a minimum the losses in weight and grade as well as death losses. Truckers complain of inadequacy of loading and, in some instances of unloading facilities. Livestock numbers per given square foot of truck and car area are little known or adhered to by producers.

Consumer education is a wide open and much needed field of study. A recent survey among a businessmen's organization in the center of a cattle production area revealed that less than 50% could identify popular cuts of beef. Grades and quality of the meat were virtually unknown by all.

Problem: Need for more market information in selling livestock.

I. Why do we need more information?

A. Because of changes in marketing.

1. Federal News Service adequate at one time, but not now.
2. Two price systems, Portland less freight and Portland plus freight, brought wrath against the packing industry.
3. Less than 1/2 the livestock is sold in Portland and less than 1/2 is not representative of the market over the entire State.

Plan I. How have we gone about getting this extra market information?

- A. Program set up with aid of RMA funds to explore methods of reporting auction markets.
- B. Gather information on country cash and contract sales.

Techniques III. Techniques used in auction reporting.

- I. A. Work sheet for each grade and class developed to show differences in size and price.
  - B. Weights - an intercommunication system was set up between reporter and weighmaster so weights could be recorded with grade and price.
- II. Shifting to the use of county agents as reporters. Requires one day of his time and one day for a secretary.

IV. Evaluation.

- A. Reports inform producers of market price.
1. Does not give tariffs so net return may not necessarily be greatest at the market of highest price.
2. By-product of program--educates people on grade.
3. Producer does job of selling rather than merely disposing of his stock.

Future: Cover auctions at all important gateways:

Herminton  
Flamath Falls  
Ontario  
Portland



## REGIONAL ACTIVITIES IN LIVESTOCK MARKETING

Leon Michaelson

Among the many marketing problems already mentioned I have selected 3 where I thought I might be of greatest assistance to the men in the various States. They are:

1. Increasing the output and distribution of publications and visual aids needed in the States on livestock marketing problems.
2. Developing information and visual aids to aid specialists in programs designed to help producers know what their stock are worth at the ranch gate in terms of existing price quotations.
3. Improve marketing through auctions by fostering supervisory controls needed and by developing suggestions which operators of auctions may use in improving their own services and facilities.

Accomplishments and further action anticipated in these problems:

### I. Publications and visual aids.

- A. We have developed one fact sheet entitled "Market Your Farm Products by Weight" which we feel has general application. This has been sent to each state with an invitation that they might (1) order copies as is and distribute under their mast head and indicia, or (2) use part or all in developing a publication for their own State. Response shows that 2 states plan to make some changes and re-publish it in their states.
- B. We have another fact sheet "in the mill." It is entitled "Scales Installation, Maintenance, and Supervision." Similar invitations will be circulated when this release is completed.
- C. I have prepared a list of possible fact sheet titles which have been suggested and which might be developed by specific States and distribution amplified in similar manner. Some of them are:

Suggestions on Shipping and Selling at Terminal Markets.  
Planned Selling Through Auction Markets.  
Sorting Stock to Sell to Advantage.  
Delivery Terms on Country Sales.  
Spread Feeding Terms and Contracts.  
Costs of Marketing Livestock.  
Shrinkage of Cattle in Marketing.  
Qualities that Enhance the Value of a Wool Clip.  
Where Feeder Livestock are Available.

- D. I shall appreciate your suggestions on these possible releases and others which you may suggest with the idea that we may be concentrating on subjects of general interest and application, and we may multiply our efforts many-fold.
- E. We have several Kodachrome slide series complete with syllabus. These could be duplicated or loaned for a special program if any of you desire. If you have slides you would like made from materials that can be copied with a camera I can possibly give you aid in this.

## II. Pricing Livestock: (Learning what the stock are worth at the gate.)

- A. Weekly average prices have been tabulated and plotted on transparent graph paper so that spreads between markets on particular grades may be watched rather closely. This data indicates that there are significant differences between markets at certain seasons for some grades and classes.
- B. To have a practical application in the county agents' offices, it would be necessary to know the approximate cost per hundred weight to move and sell the stock at alternative markets. This information is available to one who will go after it. The accounting record of sale given by a commission company is available with the producer and with the commission firm. These sale sheets often have all charges, including transportation. I have started to gather this information with the idea of determining within a range what these costs are from four or five general production areas to specific markets. Some cost data and definitely shrinkage information will be available through regional research sometime in the near future.
- C. These price charts are available and I will bring any charts up to date whenever you wish if you will but send them to me.
- D. I shall continue to gather what cost data I can for all states and suggest you do likewise. I believe it is desirable to compute costs on truck load or carload lots.

## III. Auctions

Many problems surround the field of livestock auction selling.

- A. There are too many small auctions with poor competitive bidding.
- B. There are many questionable and some down right unfair trading practices at auctions.
- C. Facilities are poor and overloaded resulting in bruising and crippling at many sale yards.



D. Labor requirements are extremely high and few facilities planned to reduce or eliminate some of these requirements.

E. Scales and weighing are often poor.

So far I have just begun to accumulate some of the materials needed to develop a constructive program in this field. This includes:

1. Slides of desirable and undesirable facilities.
2. Plans of yards, gates, etc., designed to reduce labor requirements.
3. A stop watch and pedometer to get information on handling efficiencies so they will show possibilities.

Again I invite your suggestions on these and other problems wherever I might be of assistance to you.

## LIVESTOCK MARKETING

Luke M. Schruben

This is the first session of this Conference dealing with marketing from a commodity rather than a functional point of view.

For purposes of the discussion which is to follow, we should recognize that there are three groups in attendance. We have (1) Specialists primarily responsible for Consumer Education, (2) Economists who have the responsibility for all phases of economic work, and (3) workers who devote their full time to educational work in livestock marketing.

Each group has opportunities and responsibilities to make a contribution to problems involved in the marketing of livestock. Problems tackled will vary, but all will contribute to the more efficient movement of livestock from the farms through the channels of trade to the consumer.

Let us take a brief look at what each of the above-mentioned specialists might do to solve some of the marketing problems of the livestock industry.

Consumer specialists can often accomplish more by working closely with a few retail stores on consumer problems than by attempting to do the same job with many more consumers. Consumers have a need for reliable information on source and quality of meat available as well as prices and uses for the different qualities and cuts.

Consumer specialists can work with retailers of meat who in turn can assist consumers to better understand the proper uses of different cuts and grades of meat. In prepackaged meats, fliers can be prepared for insertion in each package in order to help the consumer use and prepare the cut in the best way. Similar instructions can be prepared in the form of placards

to be posted over meat counters where meat is sold from a show case.

Since meat retailers take the next largest share of the consumer's dollar and where many inefficiencies exist opportunities for improvement are great. Work with retailers can be conducted on an informal or formal basis by all marketing and consumer specialists depending upon the manpower available and its training. Indiana made a survey prior to initiating their meat retailer educational program and found that 84% of the meat retailers surveyed had received no training in cutting or merchandising meat outside of actual store experience. Many of them were store flunkies and when the regular meat cutter failed to show up one day they were assigned the job. Work with meat retailers should be tied closely to the work of the county agents since there are many food retailers in most counties.

Because of its importance, economists responsible for all phases of economic work must of necessity take on some activities in livestock marketing in this area. Livestock producers are in need of information to assist them to do a better job of marketing their production. Some of the types of information needed are:

1. Livestock numbers and their distribution.
2. Then, where, and how they move.
3. Disposition made of them.
4. Slaughter operations, locally and nationally.
5. Trends in numbers as they relate to feed supply, employment, income, population growth, and other factors that have a bearing on longtime price trends.

Feeder calf and lamb production is one of the major farm enterprises throughout this area. The market for these calves and lambs has undergone substantial change during the past ten years due to the increase in importance of local auction markets. Auction market operators are becoming better organized through state and national organizations. Opportunities to work with auction market operators and their organizations should not be overlooked. A major problem in livestock marketing is to have differences in quality reflected in prices paid.

Many of the southeastern state Extension Services have approached the problem of price reflecting quality for feeder calves. Feeder calf auction demonstrations are the methods they are using to do this. Since each of you have a copy of the recent survey of these auction demonstrations, I will not go into their operation at this time.

Although these auctions were set up to primarily demonstrate a better way of selling calves, several by-products have resulted from them. They were designed originally to provide a means whereby cattle would be sold on grade and weight rather than by the head or in mixed lots. For the most part, the



goal of reflecting the quality of calves in the price was achieved. The sales that have been running for several years show through an analysis of their results that quality improvement has been a by-product of the sale which often exceeds the actual gains as a result of price improvement.

It is essential that livestock marketing and production specialists and county agents work together on the problem of quality. It is much easier to help a producer improve his quality when he can see that improvement reflected in price. It is generally agreed that the reputation of an area in the production of quality cattle is governed largely by what the majority of the producers do rather than by what a few do.

Group action necessary for the success of these sales demonstrations provides an opportunity for those participating to see the results of better production and marketing practices. They also require a substantial amount of group effort, which tends to unify the community from the standpoint of quality consciousness.

Producers are generally uninformed regarding grades of both feeder and fat cattle and lambs. If they are to do a responsible job of marketing their cattle and lambs it is necessary that they know what they have. Without this knowledge they are not in a position to interpret market information. This is a problem that is common in all areas where cattle is produced, particularly among small producers. In an attempt to solve this problem or at least make a start in its solution, several states, including some in this area, have held market tours for producers. The tours have been for several purposes, among them being the improvement of the ability of producers to recognize what they have in the way of quality. Most, however, have been designed to provide a better understanding of how the market operates and the services it performs.

Indiana has for several years conducted what they call feed lot tours. These tours are not usually as hard to organize as central market tours as they can be set up on a local basis and distances are not as important. In arranging for these schools, the lesson that is to be taught is carefully planned. For the most part, training in grades recognition is the primary topic.

Livestock death and bruise losses in meat tonnage due to careless handling of livestock on the farm, in transit, at the market, and while being moved to slaughter, are a serious problem in all sections of the country. Some of you have been doing something about it. There is real opportunity to do more. Livestock conservation demonstrations by 4-H club members are an excellent way to get a story across to many people of a community. Livestock Conservation, Inc., with headquarters in Chicago, sponsors a national contest each year at the International Livestock Show. Seven states had teams at this contest last year.

Another major problem of the livestock industry is that of maintaining competition in the marketing system. The Packers and Stockyards Act was passed to aid in maintaining competition. Its success is important to both

producers and those marketing agencies who are trying to operate on a competitive basis. Producers should be informed of its provisions and its importance to them.

In summarizing the major problems of the livestock industry in the West, it seems to me that they can be included in the following 8 points:

1. Distances.
2. Seasonableness of supplies.
3. Changes in market structure.
4. Risks.
5. Inefficiencies in distribution.
6. Lack of consumer understanding of problems in the production and marketing processes, particularly as they relate to meat and meat animals.
7. Lack of producer understanding of quality and his general inability to relate market quotations to what he has to sell.
8. Competition in the marketing system.

To make the greatest contribution toward the solution of these problems with the limited manpower available to work on them, it will be necessary to:

1. Analyze problems as they affect local areas.
2. Study the makeup of the groups where problems exist.
3. Develop specific programs designed to contribute to the solution of a specific problem.

Our chairman says that my time is up so I will close with this observation: In spite of the pressures put on economics workers for general types of work, it is essential that every worker should engage in at least one activity that is designed to solve a specific problem and that it be conducted in a way that progress can be measured in terms of either physical or financial change in the industry or area where it is applied. In other words, accomplishments should be specific.



## LIVESTOCK MARKETING SUMMARY

E. F. Coles, H. H. Smith, L. Michaelson,  
L. M. Schruben, M. H. Taylor, Chairman

There are a number of marketing problems affecting several and/or all Western States. Emphasis was placed on the fact that full-time marketing specialists, production specialists and economists all have a part to play in their solution. Even though personnel is a problem, each state should select at least one problem or phase of a problem to work on each year. The regional marketing project was set up as one means of stretching personnel--through cooperative effort between states to minimize duplication of effort and to give direct assistance to states with limited personnel. Emphasis was placed on the immediate need for coordination of effort on publications to maximize effort of all state specialists. As an example of this coordination, Mr. Schruben agreed to prepare a release covering recent changes proposed in Packers and Stockyards Act. State personnel agreed that the publication was needed, that it would be used directly or adapted to state conditions and republished.

Effective use of tools was emphasized and many tools listed. If tools are to be used effectively, their use must be preceded by an outline of purposes or objectives one is attempting to reach. Detailed procedures for their use should be mapped out with leaders of groups you are striving to reach--including planning committees, commodity committees, industry representatives from producer through retail channels, also representatives of press, radio, etc.

Some tools used to advantage by a few states include: marketing schools, market tours, demonstrations on grading livestock and their carcasses, meat cutting and preparation, scales and weighing, wool preparation, and feeder calf sales. Many states have also used such tools as slides and movies, fact sheets and press and radio to put over an educational program.

Oregon's experience in development of market news from auctions serves as a valuable guide to other states. All Western States are facing a similar problem in getting reliable information and wide coverage of markets. Each state can draw on the experience of others for assistance on some phase of their programs. This is one of the chief values of a market conference.

## THE MONTANA PROGRAM IN DAIRY AND POULTRY MARKETING

Bruce L. Brooks

We are working on two problems in Dairy and Poultry Marketing in Montana.

In Dairy Marketing we are concerned with quality milk as it effects the consumption of our dairy products. We know as everyone does that the kind of satisfaction which the housewife gets when she buys a product will determine whether she will return to buy more or less or even discontinue

buying milk entirely. With this thought in mind, J. O. Tretsven, Dairy and Swine Specialist, worked up a quality milk school which goes as follows:

1. A discussion of things causing off flavors and odors in milk by J. O. Tretsven, Dairy and Hog Specialist.
2. A discussion of the forms of bacteria usually found in milk and the rate of increase at different temperatures. This is primarily for emphasizing proper cooling and handling and is done by a member of our State Sanitary Board.
3. A discussion of new dairy products, price trends, and marketing problems inherent to Montana by the extension marketing specialist.
4. A demonstration showing that people will pay dearly for what they like by Mr. Tretsven or the marketing specialist.
5. Audience participation in tasting and smelling various samples of milk ranging in quality from the very best to the very worst. We believe that this participation by the producers is an excellent means of impressing upon them the idea that milk does have a lot of flavors and odors which are objectionable to the consumer.

Before we go further I'd like to show you the demonstration which is used to emphasize that "people will pay dearly for what they like," regardless of food value.

(Demonstration given and Available from Montana Extension Service)

That generally is what our dairy project has entailed. In addition, we have got out numerous news articles and radio articles on the various phases of Dairy marketing in newspapers and also in our monthly newsletter for county agents. These articles concern themselves with many different things in connection with the marketing of fluid milk.

We believe we are getting results from these schools and articles. County agents have requested repeats in their counties and plant operators have stated that they are receiving better milk from their producers than they have ever received before.

Our poultry marketing project has been on Baby Chick Marketing. Five counties were sampled in 1951 and five again in 1952 to determine where Montana poultrymen are buying their chicks. The data is analyzed to see if there is any correlation between place of purchase and livability of the chicks.

The trend has been for Montana poultrymen to buy their chicks a long way from home. Attendant with these long shipments were heavy death losses. Also, the data so far assembled shows a trend for chicks purchased to the West to be more satisfactory from the standpoint of livability, than those purchased from Middle West hatcheries.



The results of this analysis of this data were presented to the all-industry poultry school in Bozeman, and to the county agents and poultrymen throughout the state.

We believe that this work is showing results. More poultrymen are buying their chicks closer to home and they are paying closer attention to the method of transportation and handling of the chicks which they get.

## Educational Programs in Dairy and Poultry Marketing in California

George B. Alcorn

Dairy: Because the large increase in human population has been more rapid than milk production, there has been a significant shift in milk utilization. Now two-thirds of the production is for fluid purposes and only one-third for manufacture. The proportions were reversed before the war. The largest piece of educational work, therefore, has been concentrated upon the outlook in order to assist the industry make the appropriate adjustments.

While the State of California establishes via legal means the minimum producer and resale prices for fluid milk, Extension activity in this respect has been reduced to a minimum.

The market milk producer-distributor has declined in relative importance and so has Extension contact with the physical problems of distribution. The larger plants communicate a number of their problems directly to the research divisions.

A considerable part of Extension activity in this field has been in connection with cooperative marketing--either for bargaining, distribution or transportation. In recent years Extension has also done considerable work in incorporating the Dairy Herd Improvement Associations and artificial insemination associations. One federated one was this year centralized.

Poultry: California was once a great surplus poultry and egg producing state. Now only turkeys are in surplus and all other poultry and egg products are imported in some volume. This has changed significantly the market structure and relative profitableness of certain lines of production. The problem in marketing is one of constantly changing to rapidly changing market conditions.

Extension has had many programs, e.g.:

Cooperatives--bargaining, handling feed manufacture, etc.

Extension schools--analyzing market and competitive situations.

Outlook, etc.

OUTLINE OF REMARKS MADE FOR DAIRY AND POULTRY MARKETING  
Luke M. Schruben

During the 10 minutes allotted me I would like to make two points before discussing poultry and egg marketing.

1. Extension work in marketing involves 3 steps.

- (a) Define the problem and the causes of the problem. A strong research program is extremely helpful in this step.
- (b) Develop alternative solutions to the problem and present them to the parties who must solve the problem. There are almost always several solutions to a problem, and the educational approach requires that they be presented and the person or persons actually involved make the final decision as to the course to be followed.
- (c) Follow up in getting the improvement adopted.

2. We are here this week to get

- (a) New ideas and methods in the conduct of current educational activities.
- (b) Ideas for new programs designed to
  - (1) Expand our current work.
  - (2) Provide a new approach to current programs.
  - (3) Programs designed to tackle new problems.

Time permits reference only to many of the activities designed to contribute to the solution of marketing problems.

Poultry and Egg Marketing

Egg Quality. Egg quality is a problem that should be tackled across the board from producers to consumers. There is little incentive on the part of the producer to market quality eggs if there is no price incentive. There is little to be gained by teaching consumers to recognize and appreciate quality, if high quality eggs cannot be purchased.

Alabama has developed a quality egg program including work with producers, distributors, and consumers in two areas of that State.

Minnesota, through its egg institutes involving producers and handlers, has improved its egg quality a great deal as witnessed by reports from New York City egg dealers handling Minnesota eggs.



Illinois has tackled the problem of quality through an egg grading law and by working closely with egg receiving stations, helping them to develop egg buying practices reflecting quality.

All consumer education programs emphasize egg quality, size, and price.

### Poultry Meats

The USDA has a contract with the Poultry and Egg National Board to train retailers of poultry meats. This program has reached many of the States.

Missouri and Indiana have state-wide programs designed to train retailers of poultry meats.

A recent development in the major broiler producing areas of Delaware, Maryland, and Virginia is that of the broiler auctions. These auctions operate for a period of 2 days. The first day is devoted to inspecting birds that are ready for sale throughout the area. The auction is held the second day where buyers bid on the respective broilers available.

### Dairy Marketing

In many sections of the country milk quality is a paramount problem which has been discussed by a previous speaker. States outside this region are carrying on programs designed to solve other problems:

1. Wisconsin has emphasized and achieved dairy manufacturing plant consolidation for more efficient operation.
2. A recent development in several areas of the U. S. is the bulk handling of milk. A farm cooling tank and tank truck have replaced the conventional milk can. A number of advantages are attributed to this new handling method. It has also created some problems that need to be dealt with.
3. A coin operating milk dispensing machine has been developed and has been in operation for more than a year. There are two of these coin operating machines operating in the Denver market. I know of no others in this region. They appear to be an efficient way of distributing fresh milk to consumers.

From the standpoint of nutrition, milk consumption is a serious problem in most areas, with consumption in some areas far below what is recommended for sound nutrition.

Wisconsin has a dairy products utilization specialist headquartered in North Carolina and working with the South Eastern States to increase the utilization of dairy products to more nearly meet the recognized minimum requirements. The use of dry milk solids is an important part of her work.

The Dry Milk Institute in Chicago, Illinois, has developed a film strip and recorded narration on cooking with nonfat dry milk solids.

# SIGNIFICANT POINTS AND PROBLEMS IN DAIRY AND POULTRY MARKETING

## Summary

Bruce Brooks

George Alcorn

L. E. Schruben

H. R. Stucky--Chairman

### Markets:

1. Population growth is changing some States from surplus to deficit producing areas and has changed the markets for other States from East to West for both dairy and poultry products.
2. Processors pay too little for high quality--too much for low quality.

### Dairy

3. The quality and production of milk fluctuates widely throughout most of this region.
4. Trade barriers between States and within States are important problems for surplus milk production areas.
5. Technological changes such as manufacturing surplus low fat ice cream, selling milk in paper cartons, homogenizing milk, concentrating milk, and development of dried milk powders are important factors in marketing. Shifts in demand must be recognized early and dairymen appraised of their importance.
6. Many processing plants are operating at less than capacity due to shift in methods of marketing. Some consolidation and elimination might be well for the industry in certain localities.

### Problem

7. Shift from butter to oleo is causing many changes in dairy production.
8. Whole milk consumption has increased, but many smaller producers are having difficulty in shifting to selling whole milk.

### Poultry

9. Consumers are finding it difficult to buy the high quality eggs they want. Grading and handling could be improved and producers, consumers, and handlers given help on this problem.
10. Broiler production has expanded faster than the marketing facilities in some areas.



11. Lack of enforcement, understanding, and use of egg grades is a problem in most States.

## FIELD CROPS MARKETING

L. R. Paramore

You will observe that the program indicates that I am to give you a summary of extension educational work on marketing field crops in the Western States. This was done, I am sure, because of time limitations making it impracticable to ask each of you to discuss the work individually.

Since I have not had the opportunity to spend enough time in the Western States to become personally acquainted with what you are doing, I naturally turned to your annual reports. After looking over the reports of extension economists, agronomists, agricultural engineers, and in some instances entomologists, I was unable to find very much to tell me of work on marketing field crops. In order that we may be clear on what is included, I should say that fruits, vegetables, and potatoes are not considered as field crops for purposes of this discussion.

The only thread running through the annual reports bearing on field crops marketing was the work that you are doing on outlook and marketing information. Generally speaking, I did not find any specific references to marketing educationally on a commodity basis except in Oregon, New Mexico, Montana, and Colorado.

In the case of Oregon there is a full time RMA project on marketing of seed crops including mainly winter legumes, alfalfa, and grass seeds. In Colorado, Rodney Tucker, Extension Agronomist, reports a series of grain grading schools. Montana also has a project on grain marketing. This project is being handled by Bruce Brooks and his colleagues. I shall not say anything about this work as Mr. Brooks will cover this in his discussion. I should also say that New Mexico is cooperating in the RMA regional hard-red winter wheat project. New Mexico has an RMA project on cotton ginning and marketing which has been quite successful in improving the market reputation of irrigated cotton grown in New Mexico and adjacent West Texas counties. Fortunately, the leader of this project, Marshal Thompson, has had considerable experience in cotton ginning which has made it possible for him to do effective work on gin improvement and operating methods.

The fact that only a small amount of educational work is now being done on field crops is not to be considered as a criticism. Your limited personnel in most of the States and the broad range of problems involved does not permit intensive work on a commodity basis. There are also other factors that need to be considered, such as highly specialized production limited to one, two, or three States, nonperishability of most staple field crops, cooperatives handling a large share of some crops such as rice in California, etc.

In view of the relatively small amount of work on field crops, it may be helpful to examine the situation in terms of its size, the problems involved and the opportunities and needs for more educational effort on this group of commodities.

Cash receipts from farm marketings of field crops in 1951 for the 11 Western States totaled 1,695,094,000. This amount is divided among the different crops as follows:

Cotton and cottonseed	16.9%	\$481,506,000
Feed Crops	15.2%	300,630,000
Food grains	29.4%	558,165,000
Oil bearing crops	1.0%	10,029,000
Other <u>1/</u>	28.0%	344,764,000
		<u>\$1,695,094,000</u>

These are very impressive figures for the region as a whole. It must be recognized, however, that the production of these crops are, in some cases concentrated in a few States. Cotton and cottonseed is limited to New Mexico, Arizona, and California, all of the rice is in California, hops in California, Oregon and Washington, sugar beets in Montana, Idaho, Wyoming, Colorado, Utah, and California. Dry beans and peas in Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Washington, Oregon, and California; feed crops, seed crops, and food grains are of interest to all of the States.

On the basis of the volume of sales of field crops and the distribution among the states it would appear that there is a need and opportunity to expand our educational efforts on the marketing of these commodities. We must, however, look behind this generalization and specifically consider the problems, nature of the industry, position of producers and their importance in relation to noncrop commodities.

In the brief time we have here this morning it is not possible for me to undertake any detailed analysis of the problems and needs for marketing education for the wide variety of commodities included in this discussion. Furthermore, I do not have sufficient knowledge of some of the crops to permit a competent discussion. You who are living with these commodities are in a far better position than I to know the details, the needs, and the opportunities for doing effective educational work. I will, therefore, of necessity limit my effort to pointing up a few questions and the making of some observations which may help to stimulate discussion of the work needed in the crops field.

Mr. Stubbs is going to tell you something of the problems of working on cotton marketing, hay crops, and other commodities important in his state. Mr. Brooks will talk about wheat and possibly other crops. We also want to leave considerable time for discussion so that we may all have the benefit of your views.

Now let's take a quick look at some of the specific commodity groups with the hope that we can bring into focus some of the problems that may deserve attention.

1/ Sugar crops, legume and grass seeds, forest products, greenhouse and nursery products, hops, hemp, popcorn, broomcorn, peppermint, spearmint, flax fiber.



Cotton and Cottonseed. The three States of Arizona, California, and New Mexico will produce more than 20 percent of the nation's cotton crop in 1952. The trend is still going up but no doubt will be limited by available water supplies. There are many areas where marketing effort could be beneficial:

1. The producers have problems of quality, grades, and obtaining proper price differentials the same as livestock producers, wheat producers, vegetable growers, etc.
2. Irrigated cotton is still suffering from discrimination in domestic and foreign markets despite the great progress that has been made in variety improvement and plant breeding.
3. The ginning industry is rapidly expanding to meet the larger production. This involves large investments, problems of technology, and operating efficiency. There are many opportunities here if we have people who are trained and experienced in this phase of processing.
4. Research shows that the local farmers' market constitutes the weakest link in the marketing system. What can be done or should be done here?
5. Do cotton producers properly understand the relation of the spot and futures market?
6. Should we be thinking about consumer education in this field?

Feed Crops. The important crops involved here are hay, barley, sorghum, and corn. What are the problems and needs for improving the marketing of these crops? Alfalfa hay is a big item in a number of the States. What can or should be done to improve hay marketing?

Seed Crops. With the wide variety of seed crops requiring processing, storing, packaging and labeling, are we meeting the needs for education on marketing problems in this area?

Dry Beans and Peas. A recent study made by Alderson and Sessions under a RMA contract indicates there are opportunities for further reduction in costs in all levels in dry bean and pea marketing. If this is the case, what should Extension do in the bean and pea States to help improve their situation and others brought out in this study? USDA Technical Bulletin No. 1044.

Food Grains: What about the International Wheat Agreement? This involves marketing policy. It expires in 1953. This appears to be especially important in view of possible shrinkage of exports. On the average 1/3 of our annual wheat production is exported which is equivalent to the production of one out of every three wheat farmers. This points to trouble ahead if a satisfactory way cannot be found to continue export markets.

Inventory and Hedging Policies of Feed Manufacturers. Several years ago the Feed Advisory Committee recommended that the Department of Agriculture conduct research on hedging practices and the use of commodities futures markets by feed manufacturers. This project was completed by the Grain Branch of PMA. The results indicated that futures markets are not commonly used by the rank and file of feed processors. The research also developed the problem that futures transactions are not available covering a number of important feed ingredients. Also in certain areas of the country futures markets cannot be used successfully because they are not available in a practical way.

Following this research, the Feed Advisory Committee recommended that the Extension Service cooperate with the American Feed Manufacturers Association and State Feed Manufacturers Associations in the development of educational conferences and programs designed to acquaint the feed trade with the results of these studies. Very satisfactory arrangements have been worked out with the Feed Manufacturers Association. The officials of this organization have been most cooperative in working with Extension. To date, one regional conference has been held at Buffalo, New York, for the Northeast States. Following that conference, the Board of Directors of the American Feed Manufacturers Association recommended that similar conferences be held in other sections of the country.

One of the most outstanding results of the Buffalo conference was to indicate that the real problems of concern to the average feed processor is inventory management. This involves the use of futures markets as well as other means of reducing risk in the production and selling of mixed feeds.

Grain Marketing. In connection with the consideration of the development of grain marketing educational programs, I would like to refer to two reports prepared by Mr. W. B. Combs, Extension Grain Marketing Specialist. The first paper deals with the subject "Making Grain Marketing Programs Effective." This report outlines a number of approaches to educational work which we hope may be useful to you in the Western States in further considering your own local programs.

Mr. Combs has prepared a special report for these meetings on the subject of grain marketing in the Western States. I will not read this report or the previous one referred to as they are available for distribution here at the conference and the latter one will be included in the proceedings of this meeting.

Developing Plans of Work on Grain Marketing. No doubt you are interested in the approaches followed in other States in planning for educational and demonstrational work in the grain marketing field. In this connection, we have reviewed various State policies of work on grain marketing. There are a number of States with excellent approaches. We have duplicated a copy of the Kansas plan of work for distribution here at this conference and for use as a basis for further studying and considering the development of work plans to better suit your own local conditions. Copies of the Kansas plan are available for every member at the conference.



## THE PROGRAM AND NEEDS AS WE SEE THEM IN MONTANA

Bruce L. Brooks

### The Program

As has been stated here before, we are involved in a grain marketing project. I would like to go into a little more detail on this program.

Grain Schools. We have 3 schools in grain marketing this month with county agents in the principle grain marketing counties in the State. These schools are two-day affairs and the program contains 4 half-day sessions on (a) grain grades and grading, (b) the process through which grain moves onto its way through the market to the consumer, (c) farm storage, and (d) the importance of protein and methods of handling Montana wheat to maintain high protein.

Cooperation. The Production and Marketing Administration grain grading laboratories in Great Falls will conduct the session grades and grading of grains. Frank Welch of Atwood and Larsen Company, dealers in grain and also a member of the Board of Trade, will handle the session on the marketing process from the farmer to the consumer. Included in this session will be discussions on the operation of county elevators, costs of marketing grain, operation of the grain exchange, and where and how cash grain moves through the exchange. There will also be a little on grain futures.

A member of the Experiment Station staff who has had considerable work in grain storage will take care of the session on farm storage. Ralph Stucky, Extension Economist, will conduct the session on protein in wheat in Montana. The problem here is to prevent the mixing of low protein wheat and high protein wheat and to emphasize how to handle this added produce to reap the greatest return. The final session of the school will include a discussion led by Ralph Mercer, Montana Extension Agronomist, on how the county agents might use the program outlined in the school in their counties. These people have all indicated their willingness to cooperate in these schools.

### The Needs

Early in 1952, the Montana Rural Progress Conferences were held. These conferences were sponsored by the Montana State College and organized and led by the Montana Extension Service. Almost 4,500 rural people attended these conferences. These people lived in 55 of the 56 Montana counties. The purpose of the conference was to isolate major problems of present day agriculture and rural living and to attempt to anticipate the future changes which might occur, as well as to recommend adjustments that will need to be made to meet the changes.

More grain storage was recommended by nearly all committees. Besides the need for additional farm storage, it was also recommended that such storage be well constructed and provided with means for turning grain and inspecting it for heat and insect damage.

Contamination of stored grain is a new problem that appeared in the recommendations. One report said, "with the possibility of reduced prices from contaminated grain, farmers should improve their own storage and elevators should be required to maintain adequate sanitation in storage and shipping facilities."

More information was also requested on the drying of grain and hay crops, and one committee pointed to the need for a quick method of determining protein content of wheat since it would be helpful at county elevators in the binning of high protein wheat. More attention to the production and marketing of high protein wheat was also suggested.

Our efforts in the coming years will be directed toward helping the grain producers and handlers in Montana to find and use methods which will meet these problems.

## FIELD CROPS MARKETING PROBLEMS IN ARIZONA

Thomas M. Stubblefield

Arizona is now being called the "New" Cotton State. The new stands for two different things. According to the Crop and Livestock Reporting Board, Arizona will be the fifth largest cotton producing State this year. The new also applies to the new strain of cotton that has been adopted as the variety to be grown in Arizona. Cotton is the most important field crop grown in the State. In fact, more income is derived from cotton than from any other agricultural product.

The gross income from agricultural enterprises in Arizona in 1951 was estimated to be 379 million dollars. The income from cotton lint and cottonseed was estimated to be 195 million dollars.

There are approximately 1,200,000 acres of irrigated land farmed in the State this year. Six hundred and seventy thousand of these were planted to cotton. It is expected that 1,050,000 bales of cotton will be produced on these acres. The value of this crop is estimated to be 235 million dollars.

We have several problems in the marketing of cotton. When the West first started producing cotton, the fibers were weak and wasty. None of the mills were interested in buying our lint. Early in the 1940's, New Mexico developed 1517. After World War II, California began to produce A-4-42. A little later on Arizona developed the strain A-44. These strains of the Acala variety of cotton are equal to or superior in most aspects to rain grown cotton with the one exception that we still have neps in our cotton. The efforts of the western States to advertise their cotton have overcome most of the prejudice as far as mills are concerned.

The place in which we need to have more recognition is in the commodity markets. Today only strict low middling 1-1/16 inch irrigated cotton or better can be delivered against a future's contract. Staples above an inch receive the same premium as 1-inch cotton. If a cotton buyer in Phoenix does not have an immediate outlet for cotton below the grade of Low Middling, he



has no assurance that he can hedge against a large loss by selling future's contracts. Thus he offers to pay the farmers a lower price for these low grades of cotton than he would if he could deliver them against future's contracts. Even if he has grades of cotton that are deliverable, a buyer cannot offer premiums comparable to the average to those in the other spot markets if he doesn't have immediate outlets. If he delivers cotton against a future's contract, he is allowed premiums for only 1 inch length cotton. This is not so important in Arizona as it is in New Mexico where the model length of cotton is close to 1-1/8 inches in length. A buyer who had immediate outlets could probably offer 2-1/2 cents a pound more for 1-1/8 inch cotton than one that did not.

The time when Arizona farmers find themselves at the greatest disadvantage is when there is a surplus of the low grade of cotton in the State. If the mills do not need this sort of cotton, the farmer must depend upon the speculator or government loan for a market for his cotton. The buyer cannot sell future's when he buys spot's and deliver the cotton to meet his commitments.

Mechanization is also having its effect on the marketing of cotton. The machines can pick the cotton faster than the present gins in the State can gin it. The farmers are faced with having to store the seed cotton in fields or on the gin yards until it can be ginned. We need accurate data to determine which would be most efficient.

The problem in the marketing of our grain crops is one connected with financing. In order for the farmer to finance the cost of production, he must agree to sell his grain to the company financing his production. As a result, the company buying his grain has more bargaining power than if the farmer had financed the production through ordinary lending agencies. The farmers complain that their market is determined by prices of grain outside the State even though the State is a deficit grain producing area.

The alfalfa hay producers need to have storage facilities to store their hay during the growing season. The feed companies bought hay this past season for 28 to 32 dollars a ton. They are now selling it at 45 dollars a ton. The farmer could be getting a higher price for his hay if he had stored it and waited until now to sell.

As you can plainly see, some of our problems are due to the type of financing in the States. There is not much that we can do about this at the present time. However, we can probably do something to help the cotton farmers in the handling of seed cotton previous to ginning, as well as show the farmers that they should store their hay and wait until fall and winter to sell the largest portions of their crops.

## SUMMARY OF SESSION ON FIELD CROPS

(L. R. Paramore, Bruce L. Brooks, Thomas M. Stubblefield)

At the present time, there is a lack of information on the production of seed crops produced in the western States. It is felt that more information is needed on the anticipated production of these crops in order that the farmers may be best advised as to how they should dispose of their crops as well as what seed crops should be produced. These seed crops are generally marketed in bulk form in the western States and are packaged in other States. This allows for the loss of identity of the western varieties as well as other varieties to be sold as western produced.

The Pure Food and Drug Act calls for severe reductions in the price of food grains that are contaminated. The farmers need to be advised on this fact and educated as to how to prevent the contamination. Along the same line there is a need for increased farm and elevator storage to handle wheat and other crops in an orderly fashion in the western area.

The producers of wheat in the West as well as in the entire United States are greatly affected by the amount of wheat exported. Export markets furnish the market for the wheat produced by one out of every three wheat farmers in the United States. Wheat produced in the West is at a disadvantage to wheat produced in the Midwest on the central markets. The reason for this is that the freight rates are so much higher in the West that they cannot compete against wheat in the other areas. This means that the western wheat is directly influenced by the export market. Another implication of this is that the western wheat handlers cannot hedge their wheat on the futures market with the same assurance that they will be protected from loss as the wheat handlers in the Midwest. There is a need for a quick protein test in order to facilitate the marketing and storage of high protein wheat.

It is felt that additional extension work in grain marketing such as grain grading schools, information on the packaging of seed, and the marketing of seed, as well as grain contamination is needed. Many of the western farmers are not receiving as much from their hay as they would if it were stored on the farm until it is to be consumed. It is suggested that this problem be looked into and the farmer be educated as to how he can store his hay and market it in a more orderly fashion.

Due to the fact that the model staple length of cotton produced in the United States today is approximately 1-1/16", hedge on the cotton futures markets is not as good a hedge against loss as it has been in the past.



## EXTENSION WORK IN FRUIT AND VEGETABLE MARKETING

R. C. Scott

For purposes of this discussion, I have attempted to classify the fruit and vegetable extension activity into certain areas of work. While certain types of work may not fit into the categories which I have listed, they do encompass all or a large part of most programs. No attempt has been made to rank these areas of work in order of importance. An attempt will be made, however, to indicate several methods which are used to achieve the objectives of the work.

### General Nature of the Work

I suppose that most of us would agree that the over-all objective of all fruit and vegetable marketing extension programs is to increase the efficiency of the marketing operation. In many areas considerable attention is given to the maintenance of quality of products from the producer to the consumer. Most programs place considerable stress on keeping the farmer, and, in many cases, various marketing agencies better informed about the movement of the crops in an effort to promote more orderly marketing of products. In other areas considerable attention is given to work on the development of marketing facilities and organizations and work with various agencies in an effort to increase the efficiency of the operation.

### Shifts in Emphasis of the Work

During the past few years there has been a marked increase in the amount of extension work with marketing agencies. This has probably been brought about by increased research work with various marketing agencies and extension workers have had the responsibility of extending the results to these agencies. Increased funds for extension provided by the Research and Marketing Act have provided an opportunity to satisfy some of the demands for work with the trade. The programs with the various marketing agencies have generally been coordinated with marketing work conducted with growers. As an example, it might be worth while to indicate the work which has been done during this past summer in the east and midwest on the marketing of sweet corn. The results of considerable research on the marketing of high quality corn which has been precooled and moved from the producer to the retail store in new types of container, the wet strength paper bag, have been made available to Extension. Marketing specialists have worked with producers, handlers and retailers in an effort to bring them results of research and encourage the adoption of this relatively new method of marketing sweet corn. In some markets differentials of from five to ten cents per dozen have been realized by the growers and a great deal of satisfaction has been realized by the handlers through their ability to provide their customers with a better and more acceptable product.

In some States demonstrations have been set up with retailers in order to encourage them to adopt the results of research. Examples include work conducted in New Hampshire and New York in which displays were set up in the stores in order to demonstrate to the retailer how improved practices in merchandising would improve sales.

### Appraisal of the Market for Various Crops

I suppose that much of this work might be classified as outlook. In many areas, the marketing specialist has discussed the demand for and prospective supplies of various crops at meetings of growers. I understand that as Extension has worked more with the various marketing agencies, considerable interest has also developed in certain areas for this type of information. Mr. Austin Ezzell, of Alabama, has indicated that there is considerable interest on the part of retailers in his State concerning the outlook for and development of the various crops.

Many of the specialists, especially in apple and potato growing areas, devote considerable attention to an analysis of the holdings of the crops and the movement into consuming channels. It seems to me that this is one area where we have a very important responsibility. We can find many instances where a very optimistic outlook on the price situation for a product at the beginning of the season resulted in slow movement and high prices early in the season and low prices and, in some cases, dumping of crop at the end of the season.

### Marketing Organizations and Facilities

In some southern States, and to perhaps a more limited extent in other areas, attention has been given to the development of marketing facilities agencies and associations for marketing crops. An example includes Arkansas where strawberry growers were assisted in developing associations for marketing their crop. The specialist assisted growers in organizing their association and advised them regarding the adoption of various practices for marketing their crop, including grading and movement to various markets. Another example in the same State included the assistance given the Young Farmers of America, a veterans organization, in organizing and obtaining the cooperation with the city and county governments in developing a new market. Following the development of the market the specialist assisted management in determining the services to be provided. During the first year of operation this market handled nearly 47,000 crates of strawberries and 880 tons of green beans.

In Mississippi where production of fruits and vegetables is scattered and where there has been little organization in the handling of the crops, marketing specialists are organizing vegetable marketing associations in cooperation with the county agent in areas where there is sufficient volume to justify an association. An analysis is made of the situation in each county where there appears to be a need, and meetings are held with growers to discuss the needs and opportunities.



### Work With Consumer Groups

In a number of areas the fruit and vegetable marketing specialists have devoted some time to work with consumer groups in order to familiarize them with the problems of marketing fruits and vegetables and to make them better informed buyers. Examples include Maryland where the specialist has devoted time to work with consumer groups in teaching them about the characteristics of fruits and vegetables, selection, care and storage in the home. The specialist in New Jersey has devoted considerable attention to work with consumers. In addition to appearing on several television programs in which consumers were informed about the movement of the crop and other points of interest, three short movies have been prepared for television. These movies are aimed at developing a better understanding on the part of the consumer concerning the problems of producing and marketing fruits and vegetables.

### Work With Processors

In the States in which processing crops are important, many of the specialists work with processors and growers of canning crops in an effort to develop a better understanding of the outlook for processed fruits and vegetables together with supplies and movement of stocks from the preceding year. Thus, both the canner and the grower are armed with facts which help them to more intelligently bargain on price and acreage. Extension has made a very important contribution in this area of work.

### Appraisal of Consumer and Dealer Acceptance

Many specialists have devoted considerable attention to the informing of growers regarding acceptance of various varieties and grades of different products, types of containers, degrees of ripeness of certain fruits, etc. For example, in Tennessee, work has been done with various new strawberry, tomato and snapbean varieties in an effort to appraise the acceptance of the product. In North Dakota, growers have been informed about the quality, sizes, and types of packages which best meet the demands of the consumer and the trade. Another example is Massachusetts where practical marketing recommendations were made to apple, strawberry, asparagus, lettuce, sweet corn, potato and tomato growers to market their products to better fit consumer demand.

### Grading and Sizing

Based on a review of the annual reports from the fruit and vegetable specialists, as much attention is devoted to this area as any other area of work. Educational work has been conducted to teach growers characteristics of the various U. S. grades for their products and efforts have been made to evaluate the grades which growers should pack in order to realize the greatest returns. This is a difficult area in which to make recommendations, especially in areas located near large consuming centers. While you have few alternatives as far as grades are concerned in this area, especially where you are shipping long distances to markets, growers in the nearby areas have many alternatives.

### How the Job is Done

While I have indicated some of the methods used in certain of the areas listed above and am giving you copies of three plans of work, I should like to make a few general observations. There appears to be a marked increase in the use of slides and movies by extension personnel engaged in fruit and vegetable marketing. Many specialists are giving particular attention to publications at regular intervals during the marketing season in order to keep growers and handlers better informed about the movement of the crop. In one state a publication is issued each month which gives information to growers concerning the outlook for various crops, storage holdings, prices, various other items of current interest which will help growers and marketing agencies to do a better job. This specialist plans to include one page of pictures in each issue which will show new developments in marketing. Needless to say, personal contacts at meetings, and with tours on farms and in the market place continue to be a part of many specialists' work. Specialists are finding the use of leaflets which place emphasis on a specific problem to be of a great deal of value.

### IDAHO FRUIT AND VEGETABLE MARKETING

R. W. Wilcox

The fruit and vegetable picture in Idaho is dominated by potatoes. Potatoes account for about half the cash income to Idaho farmers from all fruits and vegetables. The other widespread crop is dry beans. All the other commodities are localized. Some are highly variable in production from year to year.

As a result of this situation, the bulk of our work has been done with potatoes. Work with other commodities has been largely of a service nature, e.g., educational work on what can be done under marketing agreements.

There is a potato marketing agreement in Idaho. This agreement has been in force since before World War II. In addition, we have a potato advertising commission financed by a tax on potato sales. The Commission and the advertising firm it retains has considerable interest in any marketing work anyone else does.

Idaho has participated in potato marketing research under RMA. We have taken the research results to our farmers as soon as available. Two studies in particular have lent themselves to Extension use. One was the consumer preference study on Idaho sized potatoes and the other was on transit damage. We used the consumer preference study and part of the transit damage study as the basis for 16 district meetings covering the entire producing area in the State. These were set up to systematically cover the State and were held jointly with the potato specialist. The same material has been used in other meetings also.



The transit damage study pointed up an important problem facing the State worker in many cases. The findings indicated the greatest quality loss in the marketing of potatoes occurred after they reached the wholesaler.

The study pointed out the need for educational work with the wholesale and retail groups. That is where we run into trouble for the bulk of our potatoes go out of State and we are not yet ready to use State funds to do an extension job outside the State, even on our own product. We know there is a lot to be done on maintaining quality after potatoes leave the ground and before they leave the packing shed. Our people are working on that phase but the other phase needs attention.

Another phase of marketing requiring study is the reduction in labor cost in the harvesting and handling process. Bulk handling of potatoes is on the increase but poses special problems regarding damage. Our research people in horticulture and agricultural engineering have shown potatoes can be handled in bulk with no more damage than if picked by hand and handled in the conventional manner. It is easy to get in a hurry with mechanical harvesting and handling, and then damage increases rapidly. Bulk handling from storage seems to provide opportunity for labor saving but our facilities are not yet too well adapted to it.

Warehouse labor efficiency seems another place savings may be possible from two standpoints: (1) Higher output per man, and (2) decreased damage in handling. We could do considerably more work on loss prevention in potato marketing.

#### THE EXTENSION PROGRAM IN MARKETING FOR CALIFORNIA VEGETABLES

Robert C. Rock

The Extension program in the marketing of California vegetables probably presents the greatest challenge, problem, and complexities of any other commodity group. With somewhere close to 25 different vegetable crops of multiple utilization grown in commercial volume in the many truck crop sections of the State, the Extension program necessarily has to be broad and flexible to meet fast changing economic conditions.

Because of the broad and complex nature of the work, we have at present concentrated our efforts on a program which well might be entitled "alternative enterprises." The objective of this program is to conduct an educational program to assist growers to adjust their operation to changing economic conditions. This is a broad objective and we attempt to reach our goal through all Extension methods of teaching; that is, reports, meetings, demonstrations, press, radio, farm calls, etc. Probably the most developed project in this program is being carried out in the southern section of the State. Changing economic conditions associated with the large influx of population in this area in recent years, the encroachment of residential



building on agricultural land, the adjustments that are taking place in the citrus industry, water problems, and changing domestic and foreign markets, have all contributed to the need by farmers for information on alternative crops.

To meet this need we have developed on a county basis brief information sheets summarizing for a particular vegetable crop the important facts regarding the cost of production, cultural practices, marketing costs, and market price trends. It is planned that each county will gradually develop this type of information for its principal vegetable crops and thus provide growers with factual information to help them in making production decisions.

At the present time seven such county reports have been issued by county offices on vegetable crops in their areas. These reports have been issued in the southern counties and include reports on sweet corn and winter tomatoes for Imperial County, market tomatoes and celery for San Diego County, and broccoli, celery, and cauliflower for Santa Barbara County. It should be noted that this project is a cooperative undertaking between the extension economist in marketing, the extension economist in farm management, and the county farm advisors. The complete report is the outgrowth of the many enterprise cost data sheets which have been prepared by the farm management specialists. This approach, we feel, is a fine example of the effectiveness of extension specialists working together on a common problem.

While this type of report differs slightly between counties, the typical report is about as follows: The first page contains an estimate of the cost of production for the crop in the area. This cost-of-production information has been arranged so that farmers may use it as a guide for estimating their own production costs. Following this, brief notes are given on the cultural aspects of the crop as well as information on commercial yield per acre. To complete the picture and shed light on all the profit factors, estimates are given on the marketing costs involved in getting the produce to the wholesale market, followed by wholesale price trend information. It is hoped that through the use of such information, farmers will be in a better position to estimate their production and marketing costs, forecast market prices, and thereby arrive at the most profitable choices of alternative enterprises.

Another project which we are carrying out under this broad program is the more detailed study and dissemination of information on particular crops. As an example of this general marketing program, I would like to mention work done with the Brussels sprouts industry of California during the year. While the Brussels sprouts industry in California is not one of the major vegetable crops, it was felt that because of the lack of published information regarding the marketing of this crop and the many requests by growers for this information that the subject warranted our effort. Increased freezer operations during the last ten years have changed the industry from one in which practically all the production was marketed fresh to one in which the bulk of the crop is now frozen. This has caused major adjustments within the industry. Much material on this subject was collected and analyzed and a report issued for general distribution. Meetings with growers as well as with the Board of Directors of the important associations have been held to discuss this information.



As another example of a specific project under the broad field of alternative enterprises, I would like to mention the work which we have done with the green Fordhook lima bean growers in the southern section of the State, specifically Orange County. During the last year many growers were interested in expanding the production of this crop. Fordhook lima beans for freezing fit in well with the cropping system of the county. Fordhooks are a short season summer crop and this allows the land to be used for other crops during the remainder of the year. As Fordhook production is generally contracted for in advance for freezers, the crop provides a relatively safe crop in comparison with other more speculative cash crops. The problem faced by Fordhook growers in the county in their desire to increase production was the lack of freezer capacity in the area. In order that Orange County growers could better appraise the feasibility of expanding freezer facilities, a report was prepared on the economic considerations and statistics regarding future Fordhook lima bean production and freezing in the county. This material has served as a basis for discussion by groups of growers and has helped point out to them all the economic factors which must be considered if a sound expansion of Fordhook lima bean production is to take place in their area.

#### MARKETING FRUIT AND VEGETABLES

Anson B. Call, Jr.

Marketing of agricultural produce, fruit and vegetables, must go back further than just the time when the fruit or vegetables are ready to market. In fruit, we should have the varieties planted, which are generally in demand, then we must have proper orchard management to produce the quality fruit that the consuming public desire. The harvesting must be completed when the fruit is at its peak so that it will get to the markets in the best possible condition.

One important factor which I think we lack in the State of Utah, is the proper grading and packaging of different types of fruit and vegetables. To me, one remedy for this is centralized packing. When an individual packs his own fruit he sees a few blemishes on the fruit and thinks only a few go in the pack. He thinks that it won't hurt as the consumer will be able to use it the same as the housewife on the farm can use it. I think the less the farmer or fruit grower has to do with the packing and grading of his fruit the better the quality will be.

Farmers should know what grades are wanted. One of the best methods I have found, in the counties where I have worked, is to have the Federal and State Inspectors come to the county at the time of harvest and hold a packing and grading demonstration. U. S. grades and tolerances are explained and demonstrated at these meetings. The pack can vary a great deal but still there are certain requirements that must be adhered to if they meet U. S. standards.

Information should be available to the producers on the daily market quotation on fruit and vegetables so they will know what they can expect for their produce.

One problem we have in Utah in getting high quality fruit is that operators with small acreages feel that they can make more money by working at near-by defense plants than by caring for their small acreage of fruit. They have their orchards just as a side line and spend very little time in caring for the fruit. When it is ripe they think they just as well get as much out of it as they can so they put onto the market a very inferior quality and grade of produce. We have a large number of such producers in our state.

A road-side market should be kept up to standard and only the best quality produce should be marketed on these stands. Too many of the road-side markets sell only what they can't ship to advantage. The local people who buy at these stands frequently get some very poor quality produce.

Better storage should be provided for apples and potatoes so they will not have to be marketed at the time of harvest, as generally the prices are the lowest at that time. If they could put the produce out when the people are consuming it a little later in the year, they would have a better chance of receiving more for their produce.

Potatoes generally have good storage in Utah and all of them are not sold at the time of harvest. Producers who store potatoes receive, I think, more than enough to offset the expense of storage.

Stone fruits and berries, which cannot be stored for long periods, should be placed in a cooling room where they can be cooled before they are loaded on to cars or trucks. Considerable produce is hauled in trucks from Utah and it would arrive at the various markets in a better condition with less spoilage if it were cooled before shipping.

As I have stated before, one of the best methods of marketing fruits and vegetables is to have the quality and varieties that the market desires. So if producers will try and work to that end they will be able to do a more satisfactory job of marketing.

## FRUIT AND VEGETABLES MARKETING

### Summary

(R. C. Scott, R. W. Wilcox, R. C. Rock, A. B. Call, Jr.)

#### Significant facts relating to problems:

1. A multiplicity of products are produced in the Western States.
2. There is a wide variation in season of marketing among the States.
3. There are a great many different outlets and methods of handling and distribution for most of these commodities.



Marketing problems differ for:

- a. Those producers and areas with local market outlets.
- b. Those producers shipping to distant markets. This breaks down into problems of:
  - (1) The producers of short season perishables such as cantaloupes and peaches.
  - (2) The producers of storable products such as apples and potatoes.
4. There is a great need for the Extension Service to do additional work in this field. This will require additional personnel.
5. In this group of commodities, there is a wide variation in production and frequent shortages and surpluses.
6. Consumer education will be very important in meeting the problem of surpluses and shortages.

Some of the problems brought out in the discussion were:

1. Grade and quality is poor on many local markets.
2. Growers do not know how much storage will be needed.
3. There is a wide variation in the types of containers used for shipping and selling.
4. Trade acceptance of local produce--a problem where volume and quality fluctuate widely.
5. Merchandising through road side stands--a quality and price problem.
6. Need information to use in pricing on short season crops.
7. Need information for pricing contract and processed crops.
8. Need to develop additional information for consumer education workers, in order that they may give accurate information on "best buys" between various products and between qualities of specific products.

RECENT RESULTS OF MARKETING RESEARCH IN THE WEST

Dee A. Broadbent

- I. Marketing research results are not restricted to organized research projects.
  - A. Most developments and improvements come out of industry itself.
  - B. Educational institutional research is limited without cooperation and aid of industry.
    1. Change in organization or practice is often required.
    2. Often research is a record of the work done by people inside the industry and need only analyze and interpret correctly what has happened.
- II. Results of Marketing Research in West was subject assigned me for this discussion.
  - A. Lack qualification to evaluate the work that has been done and is being done.
  - B. Lack information to enumerate the research under way.
  - C. Most of marketing research in West has been done in California and coastal areas and George Alcorn might more appropriately discuss this subject.
  - D. Contrary to opinion of many, much research was accomplished prior to Hope Flannagan.
  - E. West is part of U. S.--will then in part be treated by Harry Trelogan who is better qualified than I for the following reasons:
    1. He has the statistics.
    2. He has been thinking about marketing in general.
    3. My marketing experience and recent interest is with livestock and will spend my time discussing livestock marketing research in West.
- III. Longest and most important bridge in world is the livestock marketing bridge.
  - A. Livestock marketing is the most important marketing job in agriculture from point of view of well being of farmer and consumer.



1. Almost  $1/3$  total farm income is from livestock.
2. About  $3/4$  total land area is used for livestock production.
3. Livestock is raised on  $3/5$  of all farms in United States.
4. Basic to a permanent agriculture.
5. Essential to a better fed population.
6. Second only to auto industry in U. S. in total dollars invested, income produced, and people employed.
7. About 6 of every 100 consumer dollars is spent for meat.

B. Many interested in problems of livestock marketing.

1. Conflicting interests are natural.
  - a. Farmer wants highest price possible.
  - b. Packer wants as wide a margin between farmers and retailers as possible.
  - c. Retailer wants wide margin between packer and consumer.
  - d. Consumer wants best quality at low price.
2. Conflicting opinions arise out of conflicting interests. Someone will be found who will support almost any point of view. R. C. Ashby is one who suggested this list to test marketing evaluations.
  - a. Who said it or what is the background or is he qualified?
  - b. Who pays the salary or whose ax is being ground?
  - c. What is the objective of the statement?

Answers to the three questions basic to understanding of what is behind any statement made on this subject.

IV. Recent economic trends in the livestock industry should be understood in any livestock marketing discussion. Behind these trends are some basic economic causes which are more important than the trends themselves. An investigation of the trends and their causes has been the objective of our marketing research in the Western States.

- A. Livestock production increased 35% in past 25 years. This is in part about half a result of increased size of the livestock enterprise, and the other half is accounted for in more efficient production per animal unit.

1. Application of new research finding in nutrition.
2. Improved breeding in all kinds of livestock.
3. Changed practices, i.e., shift toward cow-calf operation from long yearling or aged steer operation.
4. Emphasis shifted from animal fats (lard) to lean meat. Competition from vegetable oils found price of lard below live hog prices for first time.

B. Opposing trends in cattle and sheep numbers.

1. Reduction in sheep was about 45% in last two decades.
2. Increase cattle in U. S. about one third, but fully doubled in South.

The same basic resources used in producing both, but are combined in different proportions. Sheep producers have not been able and cannot now compete for the resources under present price and cost relationships.

Same economic environment has encouraged cattle production, but discouraged production of sheep.

C. Population shifts mean shifting markets for meat. West, and particularly West Coast expanding more rapidly in population than U. S. This has created expanding markets close to home and reduced long distant costly shipments of meat and livestock to the East.

1. Twelve western states, including Texas, increased from 16 million people to 29 million in past 25 years.
2. Coastal states now require 1-1/4 billion pounds of red meat more than they produce. This is five times the total poundage of livestock produced in the entire State of Utah at present.
3. Assuming present consumption rates for meat as at present, the additional population in the West by 1958 will require the following increase in livestock.
  - a. 800 thousand head more cattle
  - b. 375 thousand head more calves.
  - c. 1.1 million more hogs.
  - d. 1 million sheep and lambs.

D. Population of livestock not increasing as rapidly as the human population.

1. U. S. shifted from meat exporting nation to an importer of meats--lard only is in surplus.



2. Increasing purchasing power in hands of expanding human population has caused meat prices to increase relative to other agricultural commodities.

- a. Partly resulting from inability to mechanize as fully the livestock industry as with production of grains and forage feeds.
- b. Promises relatively strong prices for livestock in the future.

E. Livestock slaughtering decentralizing in location.

1. "Processing on the stump" industry has moved the plants into the surplus producing areas.

2. Volume of slaughtering in West is keeping pace with population growth.

3. Smaller volume of livestock moving east.

4. Decentralizing of packing should not be confused with decentralization of ownership. Four largest packers still buy.

5.5 of every 10 hogs

6 of every 10 cattle

7 of every 10 calves

8 of every 10 sheep and lambs

5. "Big 4" buy  $2/3$  of all animals sold for slaughter under federal inspection.

6. Largest 8 packers still buy 80% of all animals slaughtered under federal inspection.

F. Decentralization of selling has influenced livestock marketing.

1. Central public markets no longer dominant.

a. Sales direct to packer and feeder or rancher increased here as in rest of U. S.

b. Associated with the changes in transportation, decentralization of packing industry, and better communication.

c. Farmer and rancher have been led to think they are better off financially to eliminate all the "parasitical middlemen." Probably lost more in price than they saved in marketing costs which they often have to perform themselves.

2. Smaller proportion of livestock moving through central markets has reached such proportions that question can be raised about the adequacy of our market news service.

a. May be in sufficient volume of slaughter livestock for good market news.

b. Stocker and feeder livestock market news most seriously impaired.

3. Development of local auctions has diverted livestock from central markets.

a. In 1925 only 3 auction markets in western States and Texas. There were 450 in 1949 and probably 500 by now.

b. Increased 46% since 1945.

c. Auctions sold twice as many cattle and calves in 1949 as the central markets in Western States.

7,000,000 head cattle and calves at auctions.

3,400,000 head cattle and calves at central markets.

d. Marketing of sheep and lambs through auctions has not become very important.

e. About 1/3 of auctions sell less than 5,000 cattle equivalents per year.

f. Larger auctions sell more livestock than several of the central markets--they are assuming the function of the public central market.

g. Should not necessarily draw the conclusion that mere numbers of markets assures producers a competitive market. All of them must be supported by the industry, and all are not essential. Current trend toward auction method of selling at central markets started at Ogden and is now operating on several other central markets in U. S.

G. Greater proportion of meat now in upper grades.

1. Quality improved with changing production practices and increasing demand of better grades.

2. Grading of livestock has not yet become an integral part of marketing system.



H. Transportation revolution is associated with several trends in livestock marketing.

1. Seventy-five percent of hogs, cattle, and calves are now received at market by truck.
2. Lambs move much greater distance; consequently, rail shipments make up 55% of total movement in U. S.
3. Distribution of meat from wholesalers moving in increasing volume by truck, almost all the shipments of dressed meat from Swifts at Ogden moves by truck. Speed, convenience, and personalized service by truck lines has captured much of this trade from the rails.

I. Retailing of meats made more strides in past decades than in previous 50 years.

1. Self service - refrigerated display cases are standard equipment in every new retailing facility constructed.
2. Program had not only to await technological improvements, but overcome institutional resistance of organized labor and vested capital interests.

J. Marketing costs are increasing in handling most of our foods and meat and livestock are no exception.

1. Does not mean marketing system is necessarily efficient, but in spite of increased efficiency the additional costs of providing the services which are demanded result in increasing spreads between farmer and consumer.
2. Added services mean added costs.
3. Most of marketing costs are made up of payments for labor, and labor costs have increased more rapidly than other items.
  - a. Labor costs have been increasing more rapidly than productivity of labor.
  - b. Organization will prevent labor unit costs from declining much in future.
4. Marketing costs in handling meat have changed in the following manner.

Retail Cost Per Pound of Meat

	<u>1932</u> cents	<u>1947</u> cents
Retailing	6.6	9.0
Wholesaling	1.6	2.3
Packing	4.0	7.4
Market to Packer	<u>1.0</u>	<u>1.3</u>
All marketing	13.2	20.0
Paid farmer	<u>6.8</u>	<u>35.4</u>
Paid by consumer	20.0	55.4

Too much attention of livestock producer has been focused on the costs of marketing to the packer which are insignificant when compared with the over-all marketing costs.

Problem of producer is still to reach the most intense competition available for his livestock. Prices are infinitely more important to producers than gains which might be made by squeezing the 1.3 cents per pound back to the whole penny.

V. Present research activity of Western Livestock Marketing Committee.

A. Completion of current studies and publication of results.

1. Marketing Western Feeder Cattle - Wyoming Station Bulletin 317.
2. Shifts in trade of Western Slaughter Livestock - USDA AIB No. 14.
3. Trade in Western Livestock at Auctions.
  - a. Development - Importance and Operations, Utah Bulletin 352.
  - b. Analysis of livestock Marketings, Washington Bulletin 537.
  - c. Factors affecting producers choice of market outlets, Utah (in process).
  - d. Organization and operating efficiency, Texas (in process).
4. Characteristics of Western demand for meat - Oregon (in process).



B. New research problems being initiated.

1. Prices paid for comparable livestock at alternative markets.
2. Costs of marketing livestock through alternative markets with special reference to shrink.
3. Cooperative marketing of livestock in Western States.

VI. Problems in livestock marketing research.

- A. Livestock marketing is a national problem. It has no respect for conventional State lines which confine the researcher. Containment is not only geographic, but also mental.
- B. "Mind sets" - preconceived notions and local interests restrict state activity in regional problems.
- C. Administrative people are commodity minded - problems in marketing too often handled by the administrator to the commodity specialist who lacks marketing training and background. Result is that most of the talking on marketing subjects is being done by people without technical training.
- D. Vested interests are always against changes which reduce the value of their "sunk investments." Retard the wheels of progress. Organized labor (meat cutters, butchers) retarded the development of pre-packaging and central servicing of meats for sale at retail.
- E. Hope Flannagan pushed marketing research in some smaller institutions to the detriment of the production aspects.
  1. Participation for cut in funds and hope that qualified personnel could be found.
  2. Personnel often pulled from other work of equal importance, but without the financial support.
- F. Difficulty of always being able to directly relate observations, practices, and changes in organization to the price of livestock or meat at retail. Price-quality measuring sticks are still inadequate.
- G. Pressure to get results now - often leads to bad research practices. Research cannot be hurried and in a dynamic field like marketing, delay is often costly to society.

## RECENT RESULTS OF MARKETING RESEARCH

Harry C. Trelogan

Results of marketing research are now coming forth in such volume and in such variety that it is difficult to keep abreast of them. The difficulty is more easily recognized when it is pointed out that some 11 Federal agencies, 48 State agricultural experiment stations, and some 50 contractors are participating in the current marketing research program. Within the experiment stations there are 450 marketing research line projects and within the Federal agencies a somewhat smaller but nevertheless a substantial number are being conducted. The results are reported through a number of outlets such as bulletins, circulars, professional journals, trade magazines, and other means used to report scientific work generally.

There is no central point through which or to which all marketing research results are reported. This is true because of the wide variety of agencies, subjects and scientific disciplines that participate in the marketing research. To help alleviate the problem, the Department of Agriculture has established a new series of publications called "The Marketing Report Series". Within the 6 months since that has been established, some 25 reports have appeared. Perhaps a still better indication of the volume of output is the fact that 48 press releases issued by the Department during the past year have dealt with marketing research results. In view of this variety and volume of output, there is need to help the extension people identify and select the reports useful to them.

There is considerable evidence to indicate that the quality of marketing research results is gaining favorable reception. Last year 3 of the 4 awards made by the District of Columbia Chapter of the American Marketing Association for outstanding research in marketing conducted by Government agencies were granted to agricultural research projects. Two of the 3 awards made for outstanding published research by the American Farm Economic Association went to marketing research workers. The 1951 Distinguished Merit Award of the National Wholesale Frozen Food Distributors Association was given to the Production and Marketing Administration for marketing research conducted by that agency. This incidentally, was the first time the Distinguished Merit Award had been given to a governmental agency.

Of greater significance as a measure of favorable reception of marketing research is the degree to which marketing agencies are willing to lend their facilities and cooperation to research workers. The great bulk of marketing research cannot be conducted in isolated laboratories or with test tube experiments but must be performed in operating businesses. Consequently, the willingness of marketing firms such as warehouses, wholesalers and retailers, to have research workers study their operations is a good sign of the respect and confidence that has been gained for the work. Marketing firms have been exhibiting a much greater desire to cooperate and to lend their facilities to the research.



In assessing the value of marketing research, it should be recognized that it is not designed to revolutionize the existing marketing system. Rather it is intended to improve an excellent established system which offers unparalleled distribution of agricultural produce regularly and consistently to every town and hamlet throughout the Nation. Consequently, the contributions of the research must be expected in the form of many small improvements, the aggregate of which will have distinctly beneficial effects.

Recognize also that although a major orientation of the work is to reduce marketing costs and margins, it is confronted with important opposing trends. The effects of inflation and rising labor costs, plus the increase in demand for marketing services on the part of both producers and consumers tend to increase marketing costs. As a result, the research is hard pressed to minimize the increases rather than to actually effect general reductions in costs and margins.

While all of the research in marketing can be rationalized as contributory to the minimization of costs and margins or the maximization of marketing efficiency, only a portion of it deals directly with these problems. Included in such research is that of measuring the costs and margins. Part of this is in terms of comparative measurement designed to indicate the cost experiences of firms, organizations or units performing similar functions. Such comparative measurements enable business management to identify its relative efficiency compared with competitors and to suggest what factors influence the relative costs. Measurement is also expressed in detailed analyses of all the costs incurred in moving selected agricultural products from the farm to the ultimate consumer. This research contributes to a far better understanding of the numerous services performed and the distribution of the marketing margins among the wide number of market agents participating in this movement. This research also provides leads to other research workers regarding where further research can be conducted most profitably to reduce the costs and margins. Efficiency studies employing the technique of synthetic models are designed to help with the identification of ways and means by which industry could reduce the number of services performed or perform the services at less cost.

Examples of recently published research dealing with these problems include studies of:

1. Costs of retailing meats in relation to volume.
2. Marketing charges for head lettuce in Pittsburgh and Cleveland.
3. Marketing charges for potatoes.
4. Transportation and handling costs of selected fresh fruits and vegetables in the San Francisco Bay terminal market area.
5. Factors to be considered in locating, planning and operating country elevators.
6. How to handle apples more efficiently in storage houses.

A second broad category of marketing research deals with maintaining and improving product quality. This research seeks ways of protecting the



inherent attributes of agricultural produce through the marketing system so that consumers will receive better quality products. This research is also concerned with problems of inspecting, testing, and sorting agricultural produce on the basis of quality and also the problems of operating useful grading services to facilitate marketing. Among the recent marketing research results reported in this area are studies on:

1. Prepackaging of a number of products such as tomatoes, grapes, tree ripened peaches, and broccoli for refrigerated shipment.
2. Methods to reduce apple bruising.
3. Ways of reducing potato injuries in grading.
4. New methods for measuring cotton maturity and fineness.
5. Short-cut methods for determining oil content of soybeans.
6. Fumigant dosages to protect elevator stored grain.
7. Wool preparation and marketing.
8. How various lard-making methods affect the product.
9. New grade standards for hogs and hog carcasses.

A third broad category of marketing research is concerned with the improvement of market organization and facilities. This work deals with a variety of objectives such as the reduction of labor required in agricultural marketing, the coordinated effort of marketing agencies, the improvement of marketing services, and the examination of market regulations. Useful research results on these problems are being applied at every stage of marketing between the farm and the household. A few examples such as the following recently reported studies will serve to illustrate:

1. Bulk delivery of feed.
2. The Foundation Seed Stocks program.
3. Farmers produce markets: shipping point fruit and vegetable markets.
4. Plans for new urban wholesale produce markets for such cities as Hartford, Connecticut; San Juan, Puerto Rico; and Boston, Massachusetts.
5. Planning a wholesale frozen food distribution plant.
6. Receiving baled cotton at warehouses.
7. Suggestions for improving services and facilities at public terminal stockyards.
8. Methods of handling and delivering orders used by some leading wholesalers.
9. Methods of loading out delivery trucks of produce wholesalers.
10. How some wholesale grocers built better retailers.
11. Improved methods of handling groceries in self-service retail stores.
12. Economy and convenience of home freezers.

A fourth general category of marketing research has to do with the collection, analysis, and dissemination of market data. This work is based on the proposition that effective competition requires full knowledge on the part of buyers and sellers. The services designed to provide adequate



information are varied, including statistical services such as broiler chick hatchery reports, feeder cattle estimates, naval stores reports, and vegetable seeds production and stocks reports; research related to the demand for agricultural products, such as studies of consumer or market preferences for wool, cotton and citrus products, frozen concentrated apple juice, and canvassing awning manufacturers; and market news studies such as the recently published report of an experiment with retail market news. Other related studies in this field include such varied topics as eating places as marketers of food products, and peanuts and their uses for food.

Although these remarks are intended to suggest the volume of marketing research results appearing currently that might be of interest to marketing extension workers, I should like to emphasize the desirability of reviewing other literature that is available or becoming available. My observation of discussions in this conference leads me to suggest that there are a number of books that would be very useful in getting a better understanding of the principles of marketing. Within the past few years several new agricultural marketing text books have appeared, and currently the American Farm Economic Association is preparing a book of readings in agricultural marketing which represents a selection of outstanding published contributions. I commend these to your attention.

Before closing, I should like to emphasize that the future need for marketing research and for effective marketing education is indeed great. Much attention today is being given to the problems arising from the rapidly growing population and the prospective need for greater agricultural production to feed our Nation. It is well to bear in mind that the pressures of increased population also incur marketing responsibilities. The job of getting more complete use of farm products in direct human consumption is largely a marketing problem that will involve the elimination of much waste and spoilage of perishable products as they move through marketing channels and also the more effective processing and merchandising of by-products that can be recovered from farm products as they are delivered to market by farmers. For the public to realize the benefits of improvement in farm crop and livestock production, it will be necessary to avoid the dissipation of these improvements in the marketing system. It will be incumbent upon the marketers of farm products to adjust their operations to the new methods being adopted on the farms and to devise improvements within the marketing system that will contribute to better quality and lower prices for farm products as they reach the ultimate buyers.





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